



LODI CITY COUNCIL

Carnegie Forum
305 West Pine Street, Lodi

AGENDA – REGULAR MEETING

Date: June 7, 2006

Time: Closed Session 6:00 p.m.
Regular Meeting 7:00 p.m.

For information regarding this Agenda please contact:

Jennifer M. Perrin

Interim City Clerk

Telephone: (209) 333-6702

NOTE: All staff reports or other written documentation relating to each item of business referred to on the agenda are on file in the Office of the City Clerk and are available for public inspection. If requested, the agenda shall be made available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and the federal rules and regulations adopted in implementation thereof. To make a request for disability-related modification or accommodation contact the City Clerk's Office as soon as possible and at least 24 hours prior to the meeting date.

C-1 Call to Order / Roll Call

C-2 Announcement of Closed Session

- a) Conference with legal counsel – anticipated litigation – significant exposure to litigation pursuant to subdivision (b) of §54956.9; one case; pursuant to Government Code §54956.9(b)(3)(A) facts, due to not being known to potential plaintiffs, shall not be disclosed
- b) Conference with Blair King, City Manager, and Jim Krueger, Deputy City Manager (Acting Labor Negotiators), regarding Lodi Professional Firefighters, pursuant to Government Code §54957.6

C-3 Adjourn to Closed Session

NOTE: THE FOLLOWING ITEMS WILL COMMENCE NO SOONER THAN 7:00 P.M.

C-4 Return to Open Session / Disclosure of Action

A. Call to Order / Roll call

B. Invocation – Pastor Steve Newman, First Baptist Church

C. Pledge of Allegiance

D. Presentations

D-1 Awards – None

D-2 Proclamations

- a) National Automotive Service Professionals Week (PW)

D-3 Presentations

- a) Report by People Assisting the Lodi Shelter on its activities (PD)
- b) Presentation regarding Leadership Lodi Class of 2006 project, "More Meals on New Wheels"
- c) Update on Centennial activities (CLK)

E. Consent Calendar (Reading; comments by the public; Council action)

- E-1** Receive Register of Claims in the amount of \$2,682,234.70 (FIN)

- E-2 Approve minutes (CLK)
 - a) March 15, 2006 (Regular Meeting)
 - b) March 29, 2006 (Special Meeting)
 - c) March 29, 2006 (Special Joint Meeting w/Redevelopment Agency)
 - d) April 19, 2006 (Regular Meeting)
 - e) April 19, 2006 (Special Joint Meeting w/Redevelopment Agency)
 - f) May 3, 2006 (Special Meeting)
 - g) May 3, 2006 (Regular Meeting)
 - h) May 9, 2006 (Shirtsleeve Session)
 - i) May 16, 2006 (Special Joint Meeting w/Lodi Arts Commission)
 - j) May 17, 2006 (Regular Meeting)
 - k) May 30, 2006 (Shirtsleeve Session)
- E-3 Approve plans and specifications and authorize advertisement for bids for the Municipal Service Center Additional Compressed Natural Gas Installation Project (PW)
- E-4 Approve plans and specifications and authorize advertisement for bids for Church Street (Lodi Avenue to Lockeford Street) and Sacramento Street (Elm Street to Lockeford Street) Overlay and Church Street Striping (Lodi Avenue to Kettleman Lane) Project (PW)
- E-5 Approve specifications and authorize advertisement for bids for necessary chemicals for White Slough Water Pollution Control Facility, fiscal year 2006-07 (PW)
- Res. E-6 Adopt resolution awarding contract for Asphalt Materials for Fiscal Year 2006-07 to Granite Construction Company, of Stockton (\$163,780) (PW)
- Res. E-7 Adopt resolution awarding contract for 2006 Handicap Ramp Retrofit Project to A. M. Stephens Construction Company, Inc., of Lodi (\$232,365) (PW)
- Res. E-8 Adopt resolution extending contract for concession operation at the Adult Softball Complex and Chapman Field to Out of Bounds Concessions, of Stockton, for the remainder of the 2006 season (for the period of May 1, 2006 to December 31, 2006) (PR)
- Res. E-9 Adopt resolution approving six-month extension of lease of Maple Square, 2 East Lodi Avenue (for the period of June 30, 2006 to December 31, 2006) (PW)
- Res. E-10 Adopt resolution authorizing the Northern California Power Agency to enter into a sale of a portion of Lodi's rights to combustion turbine capacity in the CT1 Project to the city of Roseville for a four-month period beginning July 1, 2006 (EUD)
- Res. E-11 Adopt resolution approving destruction of certain Finance Department records (FIN)
- Res. E-12 Adopt resolution ratifying the San Joaquin Council of Governments Annual Financial Plan for Fiscal Year 2006-07 (PW)

F. Comments by the public on non-agenda items

THE TIME ALLOWED PER NON-AGENDA ITEM FOR COMMENTS MADE BY THE PUBLIC IS LIMITED TO FIVE MINUTES.

The City Council cannot deliberate or take any action on a non-agenda item unless there is factual evidence presented to the City Council indicating that the subject brought up by the public does fall into one of the exceptions under Government Code Section 54954.2 in that (a) there is an emergency situation, or (b) the need to take action on the item arose subsequent to the agenda's being posted.

Unless the City Council is presented with this factual evidence, the City Council will refer the matter for review and placement on a future City Council agenda.

G. Comments by the City Council Members on non-agenda items

H. Comments by the City Manager on non-agenda items

I. Public Hearings

- Res. I-1 Public hearing to consider adopting resolution implementing previously-authorized Consumer Price Index-based water and wastewater rates (PW)
- I-2 Public hearing to review and receive comments regarding City of Lodi 2006-07 recommended draft budget (CM)

J. Communications

- J-1 Claims filed against the City of Lodi – None
- J-2 Appointments
- a) Appointments to the Greater Lodi Area Youth Commission (Student Appointees) (CLK)
- J-3 Miscellaneous – None

K. Regular Calendar

- K-1 Approve Measure K Renewal Final Draft Expenditure Plan and endorse the renewal of Measure K (CM)
- Res. K-2 Adopt resolution accepting Certificate of Sufficiency of Petition for the Water Rate Reduction Initiative submitted by Jane Lea and Dawn Squires; and adopt resolution to place the measure on the ballot for the November 7, 2006, General Municipal Election (CLK)
- Res. K-3 Adopt resolution setting priorities for filing written arguments regarding Fire and Facilities Sales Tax and Water Rate Reduction measures scheduled for the November 7, 2006, General Municipal Election and directing the City Attorney to prepare an impartial analysis (CLK)
- K-4 Approve expenses incurred by outside counsel/consultants relative to the Environmental Abatement Program litigation and various other cases being handled by outside counsel (\$99,118.67) (CA)

L. Ordinances

- Ord. L-1 Adopt Ordinance No. 1779 entitled, "An Ordinance of the City Council of the City of Lodi (Adopt) Amending Lodi Municipal Code Title 5 – Permits and Regulations – by Repealing and Reenacting Chapter 5.12, 'Cardrooms,' in its Entirety" (CLK)

M. Adjournment

Pursuant to Section 54954.2(a) of the Government Code of the State of California, this agenda was posted at least 72 hours in advance of the scheduled meeting at a public place freely accessible to the public 24 hours a day.

Jennifer M. Perrin
Interim City Clerk



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: National Automotive Service Professionals Week Proclamation

MEETING DATE: June 7, 2006

PREPARED BY: Public Works Director

RECOMMENDED ACTION: That Mayor Hitchcock present a proclamation proclaiming the week of June 12 -18, 2006, as "National Automotive Service Professionals Week".

BACKGROUND INFORMATION: National Automotive Service Professionals Week was established in 2005 to honor the commitment and dedication of automotive, truck and collision technicians, along with parts specialists and other support professionals who serve the motoring public. Automotive Service Professionals Week is a national event to recognize the efforts of automotive service professionals in keeping our vehicles running correctly. The City wants to join with the Governor and the State of California in acknowledging how important these professionals are to our communities.

Specifically, for the City of Lodi, the Fleet Services Division of the Public Works Department is responsible to repair and maintain the City's fleet. They daily work on equipment, cars, trucks, and buses to support the Engineering, Transit, Streets, Facilities, Water, and Wastewater Divisions, and the Police, Fire, Electric Utility, Parks and Recreation, Finance, Library, Community Center, and Community Development Departments. They maintain approximately 420 pieces of equipment and vehicles, including everything from Police patrol cars and fire engines to construction equipment and buses.

A representative of the Public Works Fleet and Facilities Division will be present to accept the proclamation.

FISCAL IMPACT: None.

FUNDING AVAILABLE: Not applicable.

Richard C. Prima, Jr.
Public Works Director

Prepared by Dennis J. Callahan, Fleet & Facilities Manager

RCP/DC/pmf

APPROVED: _____
Blair King, City Manager



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Report by People Assisting the Lodi Shelter on its Activities

MEETING DATE: June 7, 2006

PREPARED BY: City Clerk

RECOMMENDED ACTION: None required.

BACKGROUND INFORMATION: Carolyn Deleon, representing People Assisting the Lodi Shelter (PALS), will give a report on the activities and accomplishments of the PALS organization.

FISCAL IMPACT: None.

FUNDING AVAILABLE: None required.

Jennifer M. Perrin
Interim City Clerk

JMP

APPROVED: _____
Blair King, City Manager



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Presentation Regarding Leadership Lodi Class of 2006 Project, "More Meals on New Wheels"

MEETING DATE: June 7, 2006

PREPARED BY: City Clerk

RECOMMENDED ACTION: Presentation; none required.

BACKGROUND INFORMATION: Members of the 2006 Leadership Lodi class will present information on this year's class project, "More Meals on New Wheels." The project seeks to raise funds for a new van for the LOEL Center's Meals on Wheels program and, funding allowing, provide funds for purchasing Senior meals. The class has a target of \$12,000 or 1/2 of the cost of the proposed van. It is anticipated the funds will be utilized to match grant funding to allow for full funding of a vehicle.

FISCAL IMPACT: None.

FUNDING AVAILABLE: N/A

Jennifer Perrin
Interim City Clerk

TF/jmp

APPROVED: _____
Blair King, City Manager



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Update on Centennial Activities

MEETING DATE: June 7, 2006

PREPARED BY: City Clerk

RECOMMENDED ACTION: None required.

BACKGROUND INFORMATION: Interim City Clerk Perrin will give an update on the Centennial activities being planned for 2006.

FISCAL IMPACT: None.

FUNDING AVAILABLE: None required.

Jennifer M. Perrin
Interim City Clerk

JMP

APPROVED: _____
Blair King, City Manager



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Receive Register of Claims Dated May 23, 2006 in the Amount of \$2,682,234.70

MEETING DATE: June 7, 2006

PREPARED BY: Management Analyst

RECOMMENDED ACTION: That the City Council receive the attached Register of Claims. The disclosure of the PCE/TCE expenditures is shown as a separate item on the Register of Claims.

BACKGROUND INFORMATION: Attached is the Register of Claims in the amount of \$2,682,234.70 dated 5/23/2006 which includes PCE/TCE payments of \$651.00 and Payroll in the amount of \$1,126,799.72

FISCAL IMPACT: n/a

FUNDING AVAILABLE: As per attached report.

Ruby R Paiste, Interim Finance Director

RRP/kb

Attachments

APPROVED: _____
Blair King, City Manager

05/04/06	00100	General Fund	662,175.78
	00123	Info Systems Replacement Fund	34.74
	00160	Electric Utility Fund	12,513.93
	00161	Utility Outlay Reserve Fund	2,879.35
	00164	Public Benefits Fund	5,829.64
	00170	Waste Water Utility Fund	6,842.53
	00180	Water Utility Fund	2,844.33
	00210	Library Fund	9,148.62
	00234	Local Law Enforce Block Grant	583.66
	00270	Employee Benefits	377,325.02
	00326	IMF Storm Facilities	551.64
	00327	IMF(Local) Streets Facilities	781.19
	00329	TDA - Streets	4,180.00
	00332	IMF(Regional) Streets	565.69
	00340	Comm Dev Special Rev Fund	5,146.06
	01214	Arts in Public Places	60.97
	01215	IMF Police Facilities	712.29
	01216	IMF Fire Facilities	376.98
	01241	LTF-Pedestrian/Bike	5,219.00
	01250	Dial-a-Ride/Transportation	10,710.10
	01410	Expendable Trust	65,856.18

Sum			1,174,337.70

Total for Week			
Sum			1,174,337.70

Accounts Payable	Page	-	1
Council Report	Date	- 05/23/06	
As of	Fund	Name	Amount
Thursday			

05/11/06	00100	General Fund	529,033.61
	00160	Electric Utility Fund	2,607.44
	00164	Public Benefits Fund	4,095.97
	00170	Waste Water Utility Fund	23,288.57
	00171	Waste Wtr Util-Capital Outlay	21,326.24
	00172	Waste Water Capital Reserve	425,304.37
	00180	Water Utility Fund	4,119.23
	00181	Water Utility-Capital Outlay	27,301.24
	00184	Water PCE-TCE-Settlements	17,302.38
	00190	Central Plume	24,150.03
	00194	South Central Western Plume	991.76
	00210	Library Fund	1,227.22
	00270	Employee Benefits	37,591.80
	00310	Worker's Comp Insurance	23,676.25
	00325	Measure K Funds	54,736.64
	00326	IMF Storm Facilities	14,390.62
	00329	TDA - Streets	3,500.75
	00340	Comm Dev Special Rev Fund	2,715.65
	00411	Notes Payable-Debt Service	96,106.00
	00459	H U D	505.88
	00502	L&L Dist Z1-Almond Estates	1,213.33
	00503	L&L Dist Z2-Century Meadows I	1,018.33
	00506	L&L Dist Z5-Legacy I,II,Kirst	1,538.34
	01212	Parks & Rec Capital	1,786.15
	01217	IMF Parks & Rec Facilities	485.46
	01218	IMF General Facilities-Adm	21,326.24
	01241	LTF-Pedestrian/Bike	298.00
	01250	Dial-a-Ride/Transportation	142,692.64
	01410	Expendable Trust	22,915.86

Sum			1,507,246.00
	00183	Water PCE-TCE	651.00

Sum			651.00

Total for Week			
Sum			1,507,897.00

Date - 05/23/06

Payroll	Pay Per Date	Co	Name	Gross Pay
Regular	05/07/06	00100	General Fund	823,954.25
		00160	Electric Utility Fund	144,582.69
		00164	Public Benefits Fund	5,023.94
		00170	Waste Water Utility Fund	71,856.89
		00180	Water Utility Fund	9,427.34
		00210	Library Fund	31,924.69
		00235	LPD-Public Safety Prog AB 1913	148.44
		00340	Comm Dev Special Rev Fund	37,029.31
		01250	Dial-a-Ride/Transportation	2,852.17
Pay Period Total:				
Sum				1,126,799.72



CITY OF LODI COUNCIL COMMUNICATION

TM

AGENDA TITLE: Approve Minutes

- a) March 15, 2006 (Regular Meeting)
- b) March 29, 2006 (Special Meeting)
- c) March 29, 2006 (Special Joint Meeting w/Redevelopment Agency)
- d) April 19, 2006 (Regular Meeting)
- e) April 19, 2006 (Special Joint Meeting w/Redevelopment Agency)
- f) May 3, 2006 (Special Meeting)
- g) May 3, 2006 (Regular Meeting)
- h) May 9, 2006 (Shirtsleeve Session)
- i) May 16, 2006 (Special Joint Meeting w/Lodi Arts Commission)
- j) May 17, 2006 (Regular Meeting)
- k) May 30, 2006 (Shirtsleeve Session)

MEETING DATE: June 7, 2006

PREPARED BY: City Clerk

RECOMMENDED ACTION: That the City Council approve the following minutes as prepared:

- a) March 15, 2006 (Regular Meeting)
- b) March 29, 2006 (Special Meeting)
- c) March 29, 2006 (Special Joint Meeting w/Redevelopment Agency)
- d) April 19, 2006 (Regular Meeting)
- e) April 19, 2006 (Special Joint Meeting w/Redevelopment Agency)
- f) May 3, 2006 (Special Meeting)
- g) May 3, 2006 (Regular Meeting)
- h) May 9, 2006 (Shirtsleeve Session)
- i) May 16, 2006 (Special Joint Meeting w/Lodi Arts Commission)
- j) May 17, 2006 (Regular Meeting)
- k) May 30, 2006 (Shirtsleeve Session)

BACKGROUND INFORMATION: Attached are copies of the subject minutes, marked Exhibit A through K.

FISCAL IMPACT: None.

FUNDING AVAILABLE: None required.

Jennifer M. Perrin
Interim City Clerk

JMP
Attachments

APPROVED: _____
Blair King, City Manager

**LODI CITY COUNCIL
REGULAR CITY COUNCIL MEETING
CARNEGIE FORUM, 305 WEST PINE STREET
WEDNESDAY, MARCH 15, 2006**

C-1 CALL TO ORDER / ROLL CALL

The City Council Closed Session meeting of March 15, 2006, was called to order by Mayor Pro Tempore Johnson at 6:35 p.m.

Present: Council Members – Beckman, Hansen, Johnson, and Mounce

Absent: Council Members – Mayor Hitchcock

Also Present: City Manager King, City Attorney Schwabauer, and City Clerk Blackston

C-2 ANNOUNCEMENT OF CLOSED SESSION

- a) Actual litigation: Government Code §54956.9(a); one case; *Pacific Bell Telephone Company, a California corporation doing business as AT&T California, v. City of Lodi et al.*, San Joaquin County Superior Court, Case No. CV028523

C-3 ADJOURN TO CLOSED SESSION

At 6:35 p.m., Mayor Pro Tempore Johnson adjourned the meeting to a Closed Session to discuss the above matter.

The Closed Session adjourned at 7:00 p.m.

C-4 RETURN TO OPEN SESSION / DISCLOSURE OF ACTION

At 7:04 p.m., Mayor Pro Tempore Johnson reconvened the City Council meeting, and City Attorney Schwabauer disclosed that no reportable action was taken in closed session.

A. CALL TO ORDER / ROLL CALL

The Regular City Council meeting of March 15, 2006, was called to order by Mayor Pro Tempore Johnson at 7:04 p.m.

Present: Council Members – Beckman, Hansen, Johnson, and Mounce

Absent: Council Members – Mayor Hitchcock

Also Present: City Manager King, City Attorney Schwabauer, and City Clerk Blackston

B. INVOCATION

The invocation was given by Pastor Stephen Jarrett, Lodi Salvation Army.

C. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mayor Pro Tempore Johnson.

D. AWARDS / PROCLAMATIONS / PRESENTATIONS

D-1 Awards – None

D-2 (a) Mayor Pro Tempore Johnson presented a proclamation to Nancy Martinez, Library Services Director, proclaiming the week of April 2 – 8, 2006, as "National Library Week" and a proclamation proclaiming Tuesday, April 4, 2006, as "National Library Workers Day" in the City of Lodi.

D-3 Presentations – None

E. CONSENT CALENDAR

In accordance with the report and recommendation of the City Manager, Council, on motion of Council Member Beckman, Mounce second, approved the following items hereinafter set forth **except those otherwise noted** by the vote shown below:

Ayes: Council Members – Beckman, Hansen, Johnson, and Mounce

Noes: Council Members – None

Absent: Council Members – Mayor Hitchcock

- E-1 Claims were approved in the amount of \$6,240,631.58.
- E-2 The minutes of January 10, 2006 (Shirtsleeve Session), January 24, 2006 (Shirtsleeve Session), February 7, 2006 (Shirtsleeve Session), February 7, 2006 (Special Meeting), February 21, 2006 (Shirtsleeve Session), and March 7, 2006 (Shirtsleeve Session) were approved as written.
- E-3 Approved the plans and specifications and authorized advertisement for bids for Playground Improvements at Peterson Park West Playground, 199 Evergreen Drive.
- E-4 Approved the plans and specifications and authorized advertisement for bids for Asphalt Rubber Cape Seal, Various Streets, 2006.
- E-5 Received for informational purposes Contract Change Order No. 3 – Kettleman Lane Gap Closure Project, Lower Sacramento Road to Ham Lane and Stockton Street to Cherokee Lane, in the amount of \$8,158.86.
- E-6 Adopted Resolution No. 2006-40 accepting the development improvements in Century Meadows One, Unit No. 3, Tract No. 3289.
- E-7 “Set public hearing for April 5, 2006, to consider the appeal of the Planning Commission’s decision of February 22, 2006, to approve a Use Permit for Vineyard Christian Middle School to place a private 6th, 7th, and 8th grade school on the grounds of Lodi Avenue Baptist Church at 2301 West Lodi Avenue (File# U05-020)” was **removed from the Consent Calendar and discussed and acted upon following approval of the Consent Calendar.**

ACTION ON ITEM REMOVED FROM CONSENT CALENDAR

- E-7 “Set public hearing for April 5, 2006, to consider the appeal of the Planning Commission’s decision of February 22, 2006, to approve a Use Permit for Vineyard Christian Middle School to place a private 6th, 7th, and 8th grade school on the grounds of Lodi Avenue Baptist Church at 2301 West Lodi Avenue (File# U-05-020)”

Council Member Beckman stated that he would be in Washington D.C. for the San Joaquin Council of Governments “One Voice” trip on April 5 and asked that the public hearing be scheduled for April 19.

MOTION / VOTE:

The City Council, on motion of Council Member Beckman, Mounce second, set public hearing for April 19, 2006, to consider the appeal of the Planning Commission’s decision of February 22, 2006, to approve a Use Permit for Vineyard Christian Middle School to place a private 6th, 7th, and 8th grade school on the grounds of Lodi Avenue Baptist Church at 2301 West Lodi Avenue (File# U-05-020). The motion carried by the following vote:

Ayes: Council Members – Beckman, Hansen, Johnson, and Mounce

Noes: Council Members – None

Absent: Council Members – Mayor Hitchcock

F. COMMENTS BY THE PUBLIC ON NON-AGENDA ITEMS

None.

G. COMMENTS BY CITY COUNCIL MEMBERS ON NON-AGENDA ITEMS

- Council Member Mounce mentioned that last week she attended the executive meeting of the League of California Cities. She reported that three single-family homes would soon be built on the corner of Maple and Garfield Streets. She recently received communication from citizens who suggested that the City designate a phone number for emergencies, in which a recording informs callers about basic information related to the emergency (e.g. reason of and length anticipated for power outages, etc.) and which radio station to tune into for updates. She recommended that the emergency radio station number also be listed on utility bills. She asked if discussion could take place about having a citizen and Council message/opinion board on the City's website.
- Council Member Hansen reported that 400 tickets were sold for the "Fat Sunday" fundraiser organized by Jacob Inman, which raised \$7,000 for the Gulf Coast hurricane relief fund and next Tuesday, Wal-Mart would be donating an additional \$1,000 toward the effort. Mr. Hansen reported that he recently attended the American Public Power Association (APPA) legislative rally in Washington, D.C. as a state representative of the policy committee and met with congressional and senate members. Climate change and monitoring of greenhouse gasses is an important issue currently being considered. Also being addressed are issues related to the electric market and the federal government's impact on it. APPA supports the ability of public power systems to offer advanced communication services (i.e. broadband) and is fighting legislative efforts to stop public entities from doing so.
- Mayor Pro Tempore Johnson announced that Delta College has selected Lodi as the site for a proposed satellite campus, which at build out is anticipated to have 5,000 full-time students.

H. COMMENTS BY THE CITY MANAGER ON NON-AGENDA ITEMS

- City Manager King mentioned that staff has been looking into the possibility of developing a message board on the City's website, as well as how to raise the visibility of the emergency radio station. Mr. King reported that he, along with Deputy City Manager Krueger, Electric Utility Director Morrow, Mayor Pro Tempore Johnson, and Council Member Hansen, attended two meetings on March 6 in New York City with representatives of rating agencies Fitch and Standard & Poors. Also accompanying them were Donna Stevener, Chief Financial Officer of the Northern California Power Agency (NCPA), and Virginia Rutledge of Public Financial Management. Mr. King stated that both rating agencies endorsed the steps that Lodi has taken, which included necessary rate increases and the adoption on January 18 of a risk management policy and power supply strategy. The Electric Utility locked in prices over a tiered period of time so there would be less volatility and risk. Lodi is participating in two power supply planning projects. City Council involvement and oversight in the Utility has been enhanced, and stronger ties with NCPA have been established. Mr. King estimated that it would take a year or more to remove the rating agencies negative outlook on the Electric Utility.

I. PUBLIC HEARINGS

- I-1 Notice thereof having been published according to law, an affidavit of which publication is on file in the office of the City Clerk, Mayor Pro Tempore Johnson called for the public hearing to consider resolution approving new rates for solid waste collection.

Public Works Director Prima explained that, as part of the franchise agreement with Central Valley Waste Services, rates for solid waste collection are to be adjusted in a percentage amount equal to 80% of the annual change in the Consumer Price Index (CPI). The percentage increase in rates based on the CPI change is 1.56%. Central Valley Waste is also asking for an additional increase of 0.95% for increased disposal costs and an additional 0.54% due to increased fuel costs. A change in calculations resulted in a lower than requested rate increase of 2.92% (or \$0.58 per month for 38-gallon service).

Council Member Beckman asked if the vehicles were being maintained appropriately and if there were any complaints of leaks.

Mr. Prima replied that complaints of vehicle leaks were rare. A City staff member made an on-site inspection and reviewed maintenance practices and records and made a few recommendations for improvements.

In response to Council Member Hansen, Mr. Prima reported that the contract with Central Valley Waste expires in 2010.

Council Member Mounce noted that garbage carts and containers sometimes overflow and asked if the garbage truck drivers could report such incidences to the Community Improvement Division.

Tom Sanchez, Central Valley Waste Contracts Manager, answered in the affirmative and mentioned that drivers do keep records and photos of garbage they encounter on the streets, sidewalks, and alleyways that is not in containers.

Hearing Opened to the Public

- Barbara Flockhart asked what percentage of the rates the City gets and if it compares prices with other waste management companies.

Public Portion of Hearing Closed

City Manager King answered that 4.8% of the revenue is remitted to the City.

Deputy City Manager Krueger added that \$20,000 is charged to Central Valley Waste for billing and administrative services.

Mr. Sanchez provided the following rate comparisons:

- | | |
|---------------------------------|--------------------------------|
| ➤ San Joaquin County -- \$26.36 | ➤ Sacramento -- \$21.66 |
| ➤ Davis -- \$26.02 | ➤ Merced County -- \$21.55 |
| ➤ Fresno -- \$25.42 | ➤ El Dorado Hills -- \$21.05 |
| ➤ Turlock -- \$25.10 | ➤ Woodbridge -- \$20.60 |
| ➤ Stockton -- \$24.69 | ➤ Lodi -- \$20.57 |
| ➤ Woodland -- \$24.63 | ➤ Tracy -- \$19.96 |
| ➤ Manteca -- \$24.00 | ➤ Sacramento County -- \$19.55 |
| ➤ Isleton -- \$23.56 | ➤ Modesto -- \$19.30 |
| ➤ Folsom -- \$22.50 | ➤ Galt -- \$18.66 |

MOTION / VOTE:

The City Council, on motion of Council Member Hansen, Beckman second, adopted Resolution No. 2006-41 approving new rates for solid waste collection. The motion carried by the following vote:

Ayes: Council Members – Beckman, Hansen, Johnson, and Mounce

Noes: Council Members – None

Absent: Council Members – Mayor Hitchcock

- I-2 Notice thereof having been published according to law, an affidavit of which publication is on file in the office of the City Clerk, Mayor Pro Tempore Johnson called for the public hearing to consider resolution adopting the City's 2005 Urban Water Management Plan Update.

Glenn Hermanson, Project Manager for RMC Water and Environment, recalled that the Urban Water Management Plan was reviewed at the February 7 Shirtsleeve Session. He reported that the state passed a law in 1983, which has since been amended 18 times, that

requires every entity with 3,000 acre feet of urban water to prepare a Water Management Plan. The Plans are the foundation upon which water supply assessments and written verifications of water supplies are based on, as well as whether new development can be approved or not. With the aid of an overhead presentation (filed), Mr. Hermanson reviewed each chapter of the Plan. Based on recent investigations, Lodi's sustainable yield of groundwater is 15,000 acre feet per year. The current demand is 17,300 acre feet per year. It is anticipated that there will be a 15% reduction in demand once water meters are installed, which will result in 3,500 acre feet of water conservation by 2025. There will be 6,000 acre feet a year available during the remainder of Lodi's 40-year contract with Woodbridge Irrigation District. The City is considering a recycled water master plan that will define how the recycled water can be used in the future. The infrastructure to use the surface water supply is not currently in place. The White Slough Plant currently treats 7,200 acre feet of water, part of which is used for irrigation near the facility.

Mr. Hermanson reported that the Plan was forwarded to the State Department of Water Resources for a completeness review and was returned with seven minor preliminary comments, which were responded to in Exhibit A (filed) of the staff report.

Council Member Beckman noted that it has been acknowledged the safe yield of groundwater would eventually increase by some amount. He asked if there could be a notation of this fact on the chart that shows a flat line of 15,000 acre fee of water, to which Mr. Prima indicated it would be done.

In reply to Mayor Pro Tempore Johnson, Mr. Prima reported that staff is working on a \$75,000 grant application for the recycled water master plan. In addition, three grant applications have been submitted to the Department of Health Services for PCE/TCE contamination cleanup.

Hearing Opened to the Public

- Ann Cerney asked what portion of the five inches of the overdraft Lodi is responsible for. She felt that the effects on water supply of future urban growth should be addressed in the report.

Public Portion of Hearing Closed

Mr. Prima reiterated that the City is pumping more water than can be sustained over a long period of time. Recycled water is used to irrigate 800 acres of farmland the City owns adjacent to the White Slough facility.

Council Member Beckman mentioned that for the past 80 years (since data began being collected) the groundwater table has been going down. He asked how the sustainable yield of 15,000 acre feet of water was arrived at.

Mr. Prima replied that there is no completely precise number. The methods used by Treadwell and Rollo were outlined in the appendix of the Water Management Plan. He explained that the Plan is not meant to be an Environmental Impact Report or decision making document.

In answer to Council Member Mounce, Mr. Prima reported that the cost to prepare the Plan was \$42,000. There were no comments from the public during the review process other than what was presented tonight.

MOTION / VOTE:

The City Council, on motion of Council Member Beckman, Hansen second, adopted Resolution No. 2006-42 adopting the City's 2005 Urban Water Management Plan Update. The motion carried by the following vote:

Ayes: Council Members – Beckman, Hansen, Johnson, and Mounce

Noes: Council Members – None

Absent: Council Members – Mayor Hitchcock

J. COMMUNICATIONS

J-1 Claims filed against the City of Lodi – None

J-2 The following postings/appointments were made:

a) The City Council, on motion of Council Member Beckman, Mounce second, made the following appointments by the vote shown below:

Ayes: Council Members – Beckman, Hansen, Johnson, and Mounce

Noes: Council Members – None

Absent: Council Members – Mayor Hitchcock

Lodi Animal Shelter Task Force

Linda Castelanelli Unspecified term limit

Lodi Improvement Committee

Fran Forkas Term to expire March 1, 2009

Eileen St. Yves Term to expire March 1, 2009

Robert Takeuchi Term to expire March 1, 2009

J-3 Miscellaneous

a) City Clerk Blackston presented the cumulative Monthly Protocol Account Report through February 28, 2006.

RECESS

At 8:45 p.m., Mayor Pro Tempore Johnson called for a recess, and the City Council meeting reconvened at 8:53 p.m.

K. REGULAR CALENDAR

NOTE: The following items were discussed and acted upon out of order.

K-3 “Authorization of a Memorandum of Understanding with Michael-David Vineyards and Jessie’s Grove Winery to truck industrial effluent to the Lodi industrial wastewater treatment plant in exchange for charging the established industrial rate plus a 50% surcharge and opening a joint Downtown wine tasting room”

City Manager King explained that the proposed Memorandum of Understanding between the City and Michael-David Vineyards and Jessie’s Grove Winery would also affect the Van Ruiten Winery. It is being proposed that Michael-David and Jessie’s Grove be allowed to truck their wastewater to the City’s industrial wastewater treatment system. They will pay 100% of the cost, plus a 50% surcharge and a connection fee based upon what their estimated trucked in waste would be. The total flow would be less than 1% of the City’s industrial waste system. In return, all three wineries would open a large downtown wine tasting room. Van Ruiten Winery, based upon the June 15, 2005, agreement with City, was to open a 500 square foot tasting room. The current proposal is for the three wineries to pool their resources and open a 2,000 square foot tasting room in the downtown area. Benefits include pooling staff resources, reducing risk, and increasing their promotional budget. The partnership also retains the economic viability of the agricultural operation and maintains the greenbelt.

Council Member Hansen disclosed that he spoke with Dave Phillips about this matter today.

PUBLIC COMMENTS:

- Dave Phillips felt that a synergy would be created by three wineries joining together in a tasting room downtown. It will allow for more products, education, food, etc. to be offered. He believed that their tasting room could serve as an anchor to downtown and more would follow. Individually opening tasting rooms might not be financially feasible.

- Mark Fedorchak, President of Van Ruiten Winery, stated that six downtown properties have been considered and two or three appear to be suitable for the tasting room. A lifestyle aspect will be incorporated into the tasting room, which will also have an educational component regarding how wine is made and used with food.
- Greg Burns of Jessie's Grove Winery commented that each winery has a different focus and wine types.
- Jim Van Ruiten stated that he never considered backing out of the obligation made with the City. The current proposal seemed more beneficial to all concerned. Each of the wineries are family-owned and have been in the community for a long period of time.

Mayor Pro Tempore Johnson expressed concern about the combined proposal, as there is a need to generate foot traffic in the downtown area.

- Mr. Burns reiterated Mr. Phillip's belief that once the first tasting room is in place, more would follow.
- Mark Chandler, representing the Winegrape Commission, spoke in support of the proposal and encouraged Council to be as flexible as possible in terms of what is allowed. He announced that 40 of Lodi's 60 vintners will be at the Grand Hyatt in Union Square, San Francisco on March 30 to pour wine for a trade and media audience.
- Pat Patrick, President of the Lodi Chamber of Commerce, believed that by combining three wineries it would attract more people. In reference to foot traffic, he reminded Council that \$25 million was spent on making the downtown an enticing area and the street itself would attract shoppers to various locations.
- Mr. Fedorchak anticipated that the tasting room would be open by December 2006.

MOTION:

Council Member Beckman made a motion, Mounce second, to authorize a Memorandum of Understanding with Michael-David Vineyards and Jessie's Grove Winery to truck industrial effluent to the Lodi industrial wastewater treatment plant in exchange for charging the established industrial rate plus a 50% surcharge and opening a joint Downtown wine tasting room.

PUBLIC COMMENTS (Continued)

- Ann Cerney stated that there should be more focus on the concept of providing wastewater capacity for use outside the City urban service area. She felt it should be examined from a long-term policy point of view and a cost benefit analysis done. She contended that some things should not be for sale. She asked if this matter was considered by the Planning Commission.

Community Development Director Hatch explained that an item only goes before the Planning Commission if it has discretionary approval, which was not the case in this instance. Planning staff prepared the negative declaration. The City Council retains planning powers and adopts the General Plan. The fact that this did not go to the Planning Commission is one of jurisdiction, not whether it was a planning issue.

- Nancy Beckman, Executive Director of the Lodi Conference and Visitors Bureau, spoke in support of the proposal. She noted that in the city of Healdsburg a momentum was created when the number of wineries and shops opened in its downtown.

- Chuck Easterling, President of the Downtown Lodi Business Partnership, spoke in support of the proposal stating that he believed it would be the catalyst for the downtown and Lodi wine products.

Mr. King noted that the City can limit who it provides sewer service to, as well as to limit the number of extraterritorial connections, volume, and characteristics of the effluent.

Council Member Hansen pointed out that, if circumstances are to improve for the City, decisions need to be made today that will have benefits five years or more from now. He believed this decision would help Lodi's ability to become a financially solvent and vibrant community.

VOTE:

The above motion carried by the following vote:

Ayes: Council Members – Beckman, Hansen, Johnson, and Mounce

Noes: Council Members – None

Absent: Council Members – Mayor Hitchcock

K-2 "Review and adopt formal comments on Measure K Renewal Expenditure Plan"

Andrew Chesley, Executive Director of the San Joaquin Council of Governments (SJCOG), reported that the Board of Directors voted last month to send the preliminary draft expenditure plan out to each of the cities and the County of San Joaquin for formal comments. On April 27, the Board will adopt a final Measure K expenditure plan to take to voters at the election in November 2006. The existing measure K terminates in April 2011.

Public Works Director Prima recommended that the following comments be submitted to the SJCOG:

1. Route 12: A) Route 12 Improvements between Lower Sacramento Road and I-5 should be added to the State Highway Improvement subcategory of the Congestion Relief Category. "Exchanging" this project for the "Route 12 Improvements West of I-5" project is acceptable. B) Move the Route 12/99 Interchange project from Congestion Relief Local roadway subcategory to the State Highway category.
2. Increasing the minimum to an agency in the Local Street Repair category from the proposed \$250,000 minimum to \$300,000 is acceptable. Any additional increase to the minimum should be phased in over the life of the program.
3. Down-scope the Highway 99/Turner Road interchange project from "reconstruct interchange" to "capacity, signalization, and safety improvements."
4. Change the scope and limits of the Victor Road widening project from Cluff Avenue to the Eastern General Plan boundary and include "capacity, signalization, and safety improvements at Highway 99."
5. Delete the Central Avenue project from the Congestion Relief category.

Mr. Chesley explained that the draft expenditure plan divides the program into four funding categories: 1) Grade Separation 2.5%; 2) Public Transit 30%; 3) Lodi Road and Street Maintenance Program 35%; and 4) Congestion Relief Program 32.5%. Under the existing Local Street Repair Program 50% goes to the county and the remaining 50% is divided between the cities. A new formula distribution will decrease the county to a base of 40% over the 30-year life of the program. It is anticipated that the Railroad Crossing Safety Program will be able to fund 10 to 15 grade separation projects in San Joaquin County.

MOTION / VOTE:

The City Council, on motion of Council Member Beckman, Hansen second, adopted the formal comments on the Measure K Renewal Expenditure Plan. The motion carried by the following vote:

Ayes: Council Members – Beckman, Hansen, Johnson, and Mounce

Noes: Council Members – None

Absent: Council Members – Mayor Hitchcock

- K-4 “Approve Lodi Tourism Business Improvement District 2006 annual report, adopt resolution of intent to levy annual assessment, and set public hearing for March 29, 2006”

NOTE: Due to a potential conflict of interest related to his spouse's employment with the Lodi Conference and Visitors Bureau, Council Member Beckman abstained from discussion and voting on this matter and vacated his seat at the dais at 10:22 p.m.

City Manager King mentioned that Lodi has two business improvement districts: 1) Downtown Lodi Business Improvement Area, and 2) Lodi Tourism Business Improvement District (LTBID). The Streets and Highways Code requires a presentation of the work plan that is going to be implemented if the proposed annual levy is assessed.

Nancy Beckman, Executive Director of the Lodi Conference and Visitors Bureau (LCVB), mentioned that its mission statement is to stimulate the local economy. This is accomplished through the promotion and education of Lodi as a tourism destination. The LCVB markets to the leisure consumer and group market with a focus in the greater Sacramento area and east and south bay areas. Targeted advertising is done as well as a direct mail campaign and participation in trade shows. The LCVB coordinates *The Taste of Lodi* annual event. Last year, 1,200 people attended with 60% coming from areas outside Lodi. The Lodi View Calendar and news publication is emailed to 1,025 people each month. Twice each year, a press trip is organized at which newspaper writers of trade, lifestyle, and travel publications are invited to tour Lodi and stay overnight at a hotel. An annual Media Day targeting the Sacramento television media is conducted. The LCVB distributes visitor information packets and publishes a newsletter three times each year. The LCVB will be relocating to an office in the Woolworth's building within two months.

Ms. Beckman reviewed the LTBID budget for 2006, noting that it was prepared in October 2005 and includes salary and overhead costs. Projected revenues are \$297,500. The BID assessment is budgeted at \$165,000. The City of Lodi's contribution is \$123,500. She mentioned that the budgeted donation of \$9,000 will not be received because it was tied to a lease deal that did not come to fruition. Expenditures related to marketing are budgeted at \$185,000, press and media relations \$28,442, customer service and hospitality at \$70,486, and advocacy at \$13,615.

Council Members Hansen and Mounce asked that more budget detail be provided at the March 29 public hearing.

PUBLIC COMMENTS:

- Tabitha Freytag, General Manager of Wine & Roses Hotel, stated that the LTBID is a great benefit to her business.

In answer to questions posed by Council Member Hansen, Ms. Beckman stated that none of the hotels or motels in the LTBID have expressed opposition to the assessment. In reference to the City's contribution, Ms. Beckman stated that if a plan could be developed to gradually decrease the amount, the LCVB could budget for it. Ms. Beckman noted, however, that she believed the City has a vested interest and should continue to participate at some level. Ideally, she would like the City's contribution to the LCVB to be based on a percentage of the gross room rents.

Council Member Mounce asked to be provided with information on the Transient Occupancy Tax revenue.

In reply to Mayor Pro Tempore Johnson, Ms. Beckman explained that when the LTBD was formed, the LCVB began operating separating from the Winegrape Commission. She stated that the wineries do provide in-kind donations and provide assistance with sponsorships and tours.

MOTION / VOTE:

The City Council, on motion of Council Member Hansen, Mounce second, approved the Lodi Tourism Business Improvement District 2006 annual report, adopted Resolution No. 2006-43 of intent to levy annual assessment, and set public hearing for March 29, 2006. The motion carried by the following vote:

Ayes: Council Members – Hansen, Johnson, and Mounce
Noes: Council Members – None
Absent: Council Members – Mayor Hitchcock
Abstain: Council Members – Beckman

NOTE: Council Member Beckman returned to his seat at the dais at 11:07 p.m.

VOTE TO CONTINUE WITH THE REMAINDER OF THE MEETING

The City Council, on motion of Council Member Beckman, Hansen second, voted to continue with the remainder of the meeting following the 11:00 p.m. hour. The motion carried by the following vote:

Ayes: Council Members – Beckman, Hansen, Johnson, and Mounce
Noes: Council Members – None
Absent: Council Members – Mayor Hitchcock

RECESS

At 11:10 p.m., Mayor Pro Tempore Johnson called for a recess, and the City Council meeting reconvened at 11:15 p.m.

K. REGULAR CALENDAR (Continued)

K-1 “Mid-year budget review and resolution to revise 2005-06 budget appropriations”

Deputy City Manager Krueger stated that total budgeted expenditures would be decreased by \$500,000 from the amount stated in the adopted budget to reflect the reduction in the transfer amount from the Electric Utility Fund for services provided. The budget adjustment will not affect the ending fund balance because there are sufficient cost savings to offset the reduced revenues. Approximately 99% of the Fire Department's overtime budget for the year was spent within six months. It is recommended that the Fire Department's budget be increased by \$261,000. An increase in “Non-Departmental” for citywide utility expenses is needed in the amount of \$101,000. A decrease of \$361,000 to transfers to “other funds” is recommended as a result of claims savings for both workers compensation and general liability insurances. In the Electric Utility Department, increase in energy costs in August and September resulted in bulk power purchases higher than what was anticipated in the budget. Consequently, an increase of \$2,953,000 will be needed in the bulk power purchase cost line item. There has been a savings in Electric Utility from vacant positions. In the Water Fund, budgeted expenditures should be increased by \$52,800 from the amount stated in the budget to pay for the cost of services transfer from the General Fund departments that were originally scheduled to be paid from the Street Fund, and for the same reason, the Wastewater Fund should be increased by \$30,800 and the Capital Outlay Fund budgeted expenditures should be increased by \$139,100. In the Street Fund,

budgeted expenditures should be decreased by \$222,700 to reflect the relocation of the cost of services transfers to the Water, Wastewater, and Capital Outlay funds. The General Fund amount anticipated at the end of the fiscal year was \$1,565,000. Based upon revenue projections, it is now anticipated to be \$6,000 less. The Library Fund was projected to have a balance of \$618,000 at the end of the fiscal year, and is now projected to have \$549,000. The ending balance for the Street Fund was projected at \$7.6 million and is now anticipated to be \$6.2 million. The Capital Outlay Fund was projected at \$5 million and is now anticipated to end the year with \$6.6 million. The Water Fund was projected at \$2.3 million and is now anticipated to end the year with \$834,000 based on revenue of \$350,000 as a result of the water rate increase to pay for groundwater contamination. The remaining \$500,000 relates to timing of expenditures. Mr. Krueger confirmed that an \$834,000 variance would not be occurring in future years. He reported that the effect of the electric rate increase would amount to \$10 million for a full fiscal year. It is estimated that there will be \$1.2 million in reserve at the end of the year over what was anticipated for Workers Compensation and Liability Insurance.

City Manager King noted that when Council adopted the budget there were 29 frozen positions. It is now recommended that one Police Lieutenant position be released and filled.

In reply to Council Member Hansen, Fire Chief Pretz explained that the reason for the overtime usage was that the department has been chronically short staffed since 2002. To cover 8,760 hours a year, calculating vacation, holiday, sick leave, and other accrued time, it leads to a factor of 3.9 people per position. Chief Pretz stated that he needs 60 firefighters and has 48. The Fire Department's overtime budget was reduced for 2005-06 and three vacancies exist. In addition, there were two long-term Workers Compensation injury related vacancies.

MOTION/ VOTE:

The City Council, on motion of Council Member Hansen, Beckman second, adopted Resolution No. 2006-44 revising the adopted 2005-06 Operating and Capital Improvement Budget for the fiscal year beginning July 1, 2005 and ending June 30, 2006. The motion carried by the following vote:

Ayes: Council Members – Beckman, Hansen, Johnson, and Mounce

Noes: Council Members – None

Absent: Council Members – Mayor Hitchcock

K-5 “Adopt resolution approving the City Council Protocol Manual”

City Clerk Blackston recalled that the draft Protocol Manual was reviewed at Shirtsleeve Sessions on January 10 and 24. At those meetings, Council Members made comments and suggestions which have been incorporated into the Manual. Ms. Blackston reviewed those changes as follows:

- Page 7, Section 3.4 – Reflects that Mayors traditionally meet with staff to review draft agendas one week prior to meetings.
- Page 8, Section 4.2 – (Added) The Mayor will be allocated an additional \$500 per year for representation expenses.
- Page 11, Section 5.3 – Commission Responsibility – (Added) Positions taken by appointed representatives should be in alignment with the positions that Council has taken on issues that directly impact Lodi.
- Page 12, Section 5.6 – (Added) Annual recognition reception for Council-appointed boards and commissions.

- Page 13, Section 6.3b – (Deleted) *“If a request is made by a Council Member at a Council meeting, it is suggested that a vote be taken, or an indication through concurrence, that there is an interest by a majority of Council to hear the matter.”*
- Page 18, Section 6.3n – (Added) Ex parte communications announcements were added to the public hearing procedure.
- Page 20, Section 6.3 v – (Added) Use of the Internet and e-mail is prohibited by Council members during City Council meetings. The purpose of this is: 1) to ensure that no violations of the Brown Act occur, and 2) to allow for proper management of communications during meetings so that City business can be conducted in an efficient and orderly manner. E-mail communication sent to the City Council related to an item on an agenda will be received in the City Clerk’s Office up to the close of business (5 p.m.) on the date of the meeting and will be provided to Council Members via “blue sheet.” Such communications will be handled in accordance with California Government Code section 54957.5
- Page 23, Section 7.3 – Citizen complaint process – (Amended) To reflect the process used when these communications to Council are received through the City Clerk’s Office, i.e. they are copied to appropriate departments and a reply is forwarded to the sender within 24 hours of receipt.

Ms. Blackston stated that the only recommendation that was not incorporated was Mayor Hitchcock’s suggestion at the meeting on January 10 that Council appointee evaluations be scheduled at a set time in the year. An Administrative Policy and Procedure adopted by Resolution 2002-224 defines the process; however, no specific date was set for conducting the evaluations. They have been held at various times throughout the year in the past. It was decided by staff not to assign a fixed date and to leave the procedure as is, primarily because appointees hire dates vary and it appeared there was no ideal time for all concerned both today and in the future.

MOTION / VOTE:

The City Council, on motion of Council Member Beckman, Mounce second, adopted Resolution No. 2006-45 approving the City Council Protocol Manual. The motion carried by the following vote:

Ayes: Council Members – Beckman, Hansen, Johnson, and Mounce

Noes: Council Members – None

Absent: Council Members – Mayor Hitchcock

- K-6 “Approve expenses incurred by outside counsel/consultants relative to the Environmental Abatement Program litigation (175,611.33)”

City Attorney Schwabauer reviewed expenses as were outlined in the staff report (filed).

MOTION / VOTE:

The City Council, on motion of Council Member Beckman, Johnson second, approved expenses incurred by outside counsel/consultants relative to the Environmental Abatement Program litigation in the amount of 175,611.33, as detailed below, by the following vote:

Ayes: Council Members – Beckman, Hansen, Johnson, and Mounce

Noes: Council Members – None

Absent: Council Members – Mayor Hitchcock

Folger Levin & Kahn - Invoices Distribution

Matter No.	Invoice No.	Date	Description	Total Amount
8001	93343	1/31/2006	General Advice/Environmental Matters	\$ 260.00
8002	93344	1/31/2006	People v M&P Investments	11,315.62
				(32.50)
8003	93280	1/31/2006	Hartford Insurance Coverage Litigation	159,427.29
				(4,418.00)
8008	93346	1/31/2006	City of Lodi v. Envision Law Group	8,097.26
				<u>\$174,649.67</u>

JAMS Mediation Service

Invoice No.	Date	Description	Amount
1119393-110	02/2006	Mediation Services – M&P Investments	\$
<u>961.66</u>			

L. ORDINANCES

None.

M. ADJOURNMENT

There being no further business to come before the City Council, the meeting was adjourned at 11:50 p.m.

ATTEST:

Susan J. Blackston
City Clerk

**LODI CITY COUNCIL
SPECIAL CITY COUNCIL MEETING
CARNEGIE FORUM, 305 WEST PINE STREET
WEDNESDAY, MARCH 29, 2006**

A. CALL TO ORDER / ROLL CALL

The Special City Council meeting of March 29, 2006, was called to order by Mayor Hitchcock at 6:04 p.m.

Present: Council Members – Beckman, Hansen, Johnson, Mounce, and Mayor Hitchcock

Absent: Council Members – None

Also Present: City Manager King, City Attorney Schwabauer, and City Clerk Blackston

B. PUBLIC HEARINGS

B-1 Notice thereof having been published according to law, an affidavit of which publication is on file in the office of the City Clerk, Mayor Hitchcock called for the public hearing to consider adoption of resolution levying annual (2006) assessment for the Lodi Tourism and Business Improvement District (LTBID) and confirming the LTBID 2006 Annual Report (as approved by Council March 15, 2006).

NOTE: Due to a potential conflict of interest related to his spouse's employment with the Lodi Conference and Visitors Bureau, Council Member Beckman abstained from discussion and voting on this matter and vacated his seat at the dais at 6:05 p.m.

City Manager King recalled that Council heard on March 15 a presentation from Nancy Beckman representing the Lodi Tourism Business Improvement District on its proposed work plan and use of proceeds. Pursuant to the Streets and Highways Code, the Council had set a public hearing to receive comments on the proposed work plan and consider protests to the assessment.

In reply to Mayor Pro Tempore Johnson, Mr. King stated that the Lodi Conference and Visitors Bureau's proposal to gradually decrease reliance on City funding would be considered during upcoming budget discussions. He mentioned that there is also consideration being made about reinstituting the economic development position in the City Manager's Office.

In answer to questions posed by Council Member Hansen, Nancy Beckman, Executive Director of the Lodi Conference and Visitors Bureau, reported that it has three full-time personnel: one director, one sales manager, and one assistant. Under the category of promotions are expenses related to press trips.

In response to Council Member Mounce, Ms. Beckman stated that to lose all City funding would mean laying off staff, promotions would be negatively effected, and tourism levels would decrease.

Hearing Opened to the Public

None.

Public Portion of Hearing Closed

City Clerk Blackston reported that no written protests to the assessment for the Lodi Tourism and Business Improvement District had been received.

MOTION / VOTE:

The City Council, on motion of Council Member Hansen, Johnson second, adopted Resolution No. 2006-46 confirming the 2006 Annual Report for the Lodi Tourism Business Improvement District and levy of assessment. The motion carried by the following vote:

Ayes: Council Members – Hansen, Johnson, Mounce, and Mayor Hitchcock

Noes: Council Members – None

Absent: Council Members – None

Abstain: Council Members – Beckman

NOTE: Mayor Beckman returned to the Council dais at 6:23 p.m.

NOTE: The following item was discussed and acted upon out of order.

D. REGULAR CALENDAR

- D-8 "Authorize the City Manager to execute a lease agreement between the County of San Joaquin and the City of Lodi to relocate Lodi Superior Courtroom No. 1 to the new police building and an assignment agreement between the State of California Administrative Office of Courts (AOC), the County of San Joaquin, and the City of Lodi assigning the lease to the AOC after completion of construction"

City Manager King reported that the proposed lease agreement with the County of San Joaquin regarding Lodi Superior Courtroom No. 1 was for 15 years, plus one additional year. The County would continue to pay the operational provisions of the agreement of the current court space for a period of time to allow them to construct tenant improvements in the new court space at the new police building. It has been offered that the County could contract with the City for project management services; however, they would be charged the full cost. Upon completion of the tenant improvements, or a specific time, whichever occurred first, lease payments would begin at \$1.35 per square foot. In addition, there would be a triple net component where the City would also be paid for utilities, maintenance, and other services. The lease rate would increase 2.50% per year until it reached \$1.50 per square foot. In year six, an appraisal would be conducted and the market rate would be charged for the remainder of the lease period. The lease agreement would create a revenue stream over the first five years that would exceed \$619,000. Mr. King noted that the City is spending \$220,000 a year leasing space for the Finance Department. The relocation of the court would mean that the City would have the option of moving the Finance Department into City-owned property.

MOTION:

Mayor Pro Tempore Johnson made a motion, Beckman second, to authorize the City Manager to execute a lease agreement between the County of San Joaquin and the City of Lodi to relocate Lodi Superior Courtroom No. 1 to the new police building and an assignment agreement between the State of California Administrative Office of Courts (AOC), the County of San Joaquin, and the City of Lodi assigning the lease to the AOC after completion of construction.

DISCUSSION:

In reply to Council Member Hansen, Mr. King explained that during negotiations the State asked if the City would provide maintenance services. It was agreed that maintenance costs would be capped if the level of services could be reduced. The fee for maintenance included a cost of living adjustment factor. Mr. King stated that the agreement was structured in such a way that the State would pay for any maintenance increases that occur.

VOTE:

The above motion carried by a unanimous vote.

C. ADJOURN TO SPECIAL JOINT MEETING OF THE LODI CITY COUNCIL AND REDEVELOPMENT AGENCY

At 6:35 p.m., Mayor Hitchcock adjourned the special meeting of the City Council to a Special Joint meeting with the Redevelopment Agency (NOTE: Refer to the Special Joint meeting with the Redevelopment Agency minutes of March 29, 2006).

The Special City Council meeting reconvened at 7:14 p.m.

D. REGULAR CALENDAR

- D-1 "Provide direction with regard to a request from Council Member Mounce to declare 'Livable, Lovable Lodi' the official City motto"

Council Member Mounce mentioned that the Lodi News-Sentinel recently reported that the slogan "Livable, Lovable Lodi" was known to have been used as far back as the 1950s. She felt that with 2006 being the City's Centennial year it would be an appropriate time to adopt "Livable, Lovable Lodi" as the City's official motto.

Council Member Beckman suggested that the City, State, and National mottos all be displayed on the wall behind the Council dais.

Mayor Pro Tempore Johnson was opposed to the proposal as he felt the City had changed over the years and would continue to. Rather than reflect on the past, he suggested that consideration be made to the City's future. He recommended that the Arts Commission conduct a citywide contest to create an appropriate City slogan.

Council Member Hansen expressed support for Ms. Mounce's proposal.

Mayor Hitchcock also supported the proposal and felt it would be a good challenge and responsibility to maintain the City as "Livable, Loveable Lodi."

PUBLIC COMMENTS:

- Sara Heberle commented that she had lived in Lodi for 50 years and she encouraged Council to approve "Livable, Loveable Lodi" as the official City motto.

MOTION / VOTE:

The City Council, on motion of Council Member Mounce, Beckman second, adopted Resolution No. 2006-47 adopting "Livable, Lovable Lodi" as the official motto of the City of Lodi and directed the City Clerk to create a way to incorporate it into Lodi's Centennial celebration. The motion carried by the following vote:

Ayes: Council Members – Beckman, Hansen, Mounce, and Mayor Hitchcock

Noes: Council Members – Johnson

Absent: Council Members – None

RECESS

At 7:28 p.m., Mayor Hitchcock called for a recess, and the City Council meeting reconvened at 7:38 p.m.

D. REGULAR CALENDAR (Continued)

- D-2 "Provide direction with regard to a request from Council Member Mounce on whether to return with legal analysis of the proposal to display the National motto, 'In God We Trust,' in the Council Chamber"

City Attorney Schwabauer reported that the most recent Supreme Court ruling on the Establishment Clause involved the State of Texas's display of the Ten Commandments on its capitol grounds. The Court found that the display was constitutional; however, it drew seven different opinions.

Council Member Beckman recommended that the City Attorney conduct a legal analysis on a display that would include the City, State, and National mottos.

Council Member Mounce explained that Jacquie Sullivan, a Bakersfield Council Member, formed a nonprofit organization called "In God We Trust – America" whose mission is to encourage every city in California and across the United States to display the National motto in their Council Chambers. Ms. Mounce noted that 2006 is the 50th anniversary of the National Motto, which was adopted by Congress on July 30, 1956. Ms. Mounce asked that a plaque similar to the example in the staff report (filed) be displayed in the Carnegie Forum lobby and incorporated into the City's Centennial celebration.

PUBLIC COMMENTS:

- Robin Rushing pointed out that the United States was hunting for communists in the 1950s and adopted the National Motto, "In God We Trust," as a way to separate Americans from communists. He read California Constitution, Article 1, Section 4, *"Free exercise and enjoyment of religion without discrimination or preference are guaranteed. This liberty of conscience does not excuse acts that are licentious or inconsistent with the peace or safety of the State. The Legislature shall make no law respecting an establishment of religion."* Mr. Rushing stated that in 2000 there were 2,467 hate crimes committed in California and 17% were religiously motivated. The proposal to display "In God We Trust" shows a preference to Christian religion. He contended that the liberty of conscience is an individual matter.
- Reuven Epstein stated that there are different versions of God and this fact should be taken into account during consideration of this matter.
- Ken Owen, Director of Christian Community Concerns, submitted a written statement (filed) and asked Council to help put a stop to the "erosion of citizen's national history and godly heritage" by adopting the proposal as presented by Ms. Mounce.
- Norman Walker stated that when references to God have been put into community documents it was during times of stress. Among the founding fathers there were men who did not believe in God. He asked how it was the City Council's right (because of each Member's personal belief) that all citizens must subscribe to their position. He asserted that this was not equal protection under the law. He admonished Council Member Mounce for believing in the "tyranny of the majority". He contended that the early writers of the Constitution wanted the separation of church and state.
- Sara Heberle mentioned that, for the past 50 years, the American Legion Auxiliary has had an Americanism essay contest and this year nearly 300 essays were submitted. She spoke in support of displaying the National motto.
- Arthur Price commented that "a person is known by the company he keeps." He asserted that religion in the United States is under attack.
- Timothy Kruppe voiced support for the proposal. He stated that the world is increasing in lawlessness and needs to get back on the right track.
- Reverend Dale Edwards questioned why the National motto is being debated. He reported that there were over 80 churches in Lodi and the overwhelming majority of the community believes "In God We Trust" and varying forms of it such as the Islamic and Buddhist communities and the multi-theistic concept of Hinduism. He stated that the concept of separation of church and state was an amended statement in a letter to a private citizen by Thomas Jefferson and was not a part of the foundation of the nation. Values and the moral basis of the country and communities have been eroded away. Prayer has been taken out of schools. He noted that it is not freedom "from" religion; it is freedom "of" religion.

- Pastor Tim Pollock emphasized that symbols have a far reaching effect. The point of the National motto, "In God We Trust," is to remember the historical centrality of God in the formation and future of the republic. He encouraged Council to display the National motto in every public building.
- William Harper stated that Lodians want to encourage people to look to their roots and to historical values.
- Scott Parr believed that if good people did not speak up, then evil would triumph. He felt that a minority has ruled the nation for too long and reported that there were 1% atheists and 96% of people who believed in God. He stated that the founding fathers left Europe to come to America so they would not have a state run church. They did not want to keep religion or God out of government; they wanted to keep government from regulating religion.
- Eunice Friederich thanked Council Member Mounce for bringing forward this request and encouraged Council to support it. She stated that while Thomas Jefferson was President he was also the head of the bible society and insisted that bibles be in public schools.
- Roger Gillstrom asked Council to consider the scientific proof that God exists today.
- Kathleen Decker Jones spoke in support of the proposal.
- John Whitted stated that the question to consider is not who is "God," but who is "we." Council is being asked to accept a statement with a "we" in it, which is the division that separation of church and state was set up to avoid. Council's job is not to "stop the erosion of our godly heritage"; it is to make laws and govern. This proposal puts Council in the position of supporting the good people against the bad people. He believed it was a disservice to God to tell him he is trusted; it is up to God to decide whether he is trusted or not.
- Ely Schofield, a student from Century Assembly Church, spoke in support of the proposal and pointed out that the National motto is not forcing anyone to believe; it asks if the followers want to trust.
- Bill Manley commented that the proposal is merely to honor what the National motto is.
- Bob Waline noted that, legally, it has already been proven that the National motto can be displayed.

City Attorney Schwabauer pointed out that the title to the item under consideration is whether or not to give the City Attorney direction to return with a legal analysis.

Council Member Mounce had hoped that the matter could be voted on tonight.

Council Member Beckman reported that the fourth verse of the national anthem written in 1814 includes the words "...and this be our motto, in God is our trust..."

MOTION #1:

Council Member Beckman made a motion, second by Mounce, directing staff to research the matter and return with a plan for a display of the City, State, and National mottos to be displayed above the Council dais.

DISCUSSION:

Mayor Hitchcock was comfortable with the concept of displaying the National motto in a government building. She did not see it as a religious issue and noted that there was a historical precedence. She was opposed to having a large display of all three mottos on the wall above the Council dais as described by Council Member Beckman.

Mayor Pro Tempore Johnson stated that he supported the National motto, though he was uncertain about the appropriateness of its placement in the Council Chamber.

Council Member Mounce explained that she had meant for this proposal to be in celebration of patriotism and the country's heritage. She preferred that a plaque similar to the example in the staff report (filed) be placed in the lobby of the Carnegie Forum with the statement, *"On July 30, 1956, President Dwight D. Eisenhower signed a law declaring 'In God We Trust' the official motto of the United States. Fifty years later, the City of Lodi officially recognizes the historical significance of our national motto in our country's affairs."*

MOTION WITHDRAWN:

Council Member Mounce withdrew her second, and the motion **died** for lack of a second.

MOTION #2 / VOTE:

Council Member Mounce made a motion, Hitchcock second, to direct the City Attorney to return with legal analysis on the proposal to place the National motto, "In God We Trust," in the lobby of the Carnegie Forum.

DISCUSSION:

Council Member Hansen mentioned that if Lodi were to vote against the proposal, it would be the only city to do so. He pointed out that Lodi is in violation of a court decision about invocations at City Council meetings. Mr. Hansen recalled that when Council Member Beckman nominated the faith community to receive the 2006 Community Service Award, Mr. Hansen had mentioned to those in attendance at the awards ceremony that he listened to and appreciated the invocations. Mr. Hansen stated that he had struggled with the proposal under consideration, because it led him to further evaluate what the role of government was. He stated that it is not the role of government to tell people what to think, read, or view. As a celebration of history, he would support the proposal to display the National motto. It has been stated that if it is "reduced to a patriotic and historical reference" it makes it defensible, in all probability, in the courts of law. Mr. Hansen did not want the National motto displayed behind the Council dais, however, and stated that as a Council Member he had a responsibility to be open to all who wish to address the Council.

VOTE:

The above motion carried by the following vote:

Ayes: Council Members – Beckman, Hansen, Mounce, and Mayor Hitchcock

Noes: Council Members – Johnson

Absent: Council Members – None

RECESS

At 9:40 p.m., Mayor Hitchcock called for a recess, and the City Council meeting reconvened at 9:52 p.m.

D. REGULAR CALENDAR (Continued)

D-3 "Provide direction with regard to a request by Council Member Beckman to schedule a town hall meeting to receive public comments concerning alternatives to pay for PCE/TCE remediation"

Council Member Beckman stated that the proponents of the water rate reduction initiative had originally requested a town hall meeting to discuss options to pay for the groundwater contamination cleanup. Mr. Beckman suggested that doing so might prevent the matter from proceeding to an election. Proponents indicated they would like the town hall meeting held at the Loel Center with a representative from the Chamber of Commerce to moderate and their concerns be documented and addressed during the meeting.

Mayor Pro Tempore Johnson did not believe that a town hall meeting would avoid a ballot initiative and that having a meeting now on the topic would accomplish nothing.

Council Member Hansen recalled that many public meetings on the topic were held and agreed with Mr. Johnson that another one would not stop the initiative process. He believed that the majority of the people in Lodi recognize that Council made the best of a "horrible" situation and that the water rate increase was not unreasonable and that is why the September 21, 2005 Proposition 218 written protest opportunity was not successful.

Mayor Hitchcock noted that when public meetings were held citizens were asked to offer other solutions; however, none were brought forward.

Council Member Mounce stated that if the initiative does qualify for the ballot, the City needs to educate its citizens so that they can make a decision based on correct information.

Mayor Pro Tempore Johnson agreed with Ms. Mounce and suggested that a coordinated effort be made to inform the public of the facts related to the matter.

MOTION / VOTE:

No Council action was taken on this matter.

- D-4 "Provide direction with regard to a request by Council Member Beckman regarding amending the General Plan to include a greenbelt area"

Community Development Director Hatch reported that Stockton's general plan designates a green area as agriculture open space, not to be included with any development proposal. Stockton does not propose to go into the "green area" with its sphere of influence.

Council Member Beckman recommended that Lodi designate a half mile south of Harney Lane to a half mile north of Armstrong Road as agriculture open space and amend the general plan to include a half mile south of Harney Lane as the extent of the City's sphere of influence.

Mayor Hitchcock felt that, in an effort to maintain control over the area, it would be wiser to put the area in Lodi's sphere of influence and designate it as a greenbelt area with the City's general plan.

Mr. Hatch concurred with Ms. Hitchcock and suggested that this would be an opportune time for Lodi to look south of its current general plan. He recommended Council consider putting the area in the City's sphere of influence as agriculture, not for development purposes. Mr. Hatch reported that he had spoken to the Executive Director of the Local Area Formation Commission (LAFCO) who was supportive that Lodi include in its sphere of influence, land that the City had no intention of developing to support the existing uses in the area.

In reply to Council Member Hansen, Mr. Hatch confirmed that the City cannot annex land without the consent/vote of the property owners. He reiterated his proposal to designate land currently shown as residential reserve and designate it as agriculture open

space/greenbelt. This would change the current holding designation and go further south to incorporate additional land as part of Lodi's general plan. Staff is not proposing any changes to the land use that presently exists.

Council Member Hansen asked if this proposal would prohibit development south of Harney Lane, to which Mr. Hatch replied that there would be full opportunities for development from a half mile south of Harney Lane. The change proposed would be the following half mile to Armstrong Road.

City Manager King mentioned that this proposal does not resolve the issue of transferable development rights.

Mayor Pro Tempore Johnson stated that he spoke with an individual who said that such a proposal could constitute an illegal taking of the property of the people in the new sphere of influence.

Mr. Hatch explained that it would not because the property owners have rights that exist under their current county zoning. He reiterated that there would be no change to their current zoning. The designation of a sphere of influence does not in any way remove any of the rights the property owners have.

PUBLIC COMMENTS:

- Burt Castelanelli stated that he owned property in the area under consideration. He was opposed to the proposal as he believed it would restrict his ability to sell for a developmental price and continued farming would be difficult because of nearby residential property. He felt Council should wait to receive the plan from the property owners associated with the Greenbelt Task Force.

Mr. Hatch explained that development of any current agricultural property is predicated upon the ability to get sewer, water, and other City services. That is the only time development rights are added to a property, i.e. when it is annexed and zoned for development.

- Pat Patrick, Executive Director of the Lodi Chamber of Commerce, urged Council to consider general plan amendment proposals from an economic point of view. The ideas the Chamber has brought forward have been a partnership between the Lodi agricultural community and Lodi urban interests. Mr. Patrick reported that LAFCO is interested in preserving agricultural space. The concept of merging Lodi urban and agricultural together and being financially linked satisfies different parties of shared economic interest. Action needs to take place to preserve the orchards and vineyards around Lodi to insulate it from the "sameness" from the north and south. Mr. Patrick stated that in doing so it would make Lodi more attractive to tourists.

MOTION / VOTE:

The City Council, on motion of Mayor Pro Tempore Johnson, Mounce second, unanimously directed staff to bring back a proposal to Council that would amend Lodi's General Plan to expand its sphere of influence to include an area one half mile south of Harney Lane down to one half mile south of Armstrong Road (including the area adjacent to the Micke Grove property) and change the "Residential Urban Reserve" designation to "AG-40 Open Space/Greenbelt."

VOTE TO CONTINUE WITH THE REMAINDER OF THE MEETING

The City Council, on motion of Council Member Beckman, Mounce second, unanimously voted to continue with the remainder of the meeting following the 11:00 p.m. hour.

D. REGULAR CALENDAR (Continued)

- D-5 "Provide direction with regard to a request by Mayor Pro Tempore Johnson to discuss the future use of the maintenance shop at Hutchins Street Square and its possible use as a Hospice facility"

Mayor Pro Tempore Johnson had recently read in the Hutchins Street Square Foundation minutes that there was consideration being made to convert the maintenance shop into a Hospice facility. He felt it should be discussed by Council before proceeding further.

Council Member Beckman stated that the Foundation minutes are provided to Council as a courtesy. The Foundation is a separate entity apart from the City and it has the freedom to spend time and resources studying concepts as it wishes. When an idea develops to the point Council needs to be informed or take action, it would be scheduled on an agenda.

PUBLIC COMMENTS:

- Charlene Lange stated that several studies have been undertaken for various uses of the auto shop, as the Foundation would like to finish out the southwest corner of the Hutchins Street Square project. Money for the studies came from the Foundation. If a project appeared feasible, the Foundation would bring it to Council. She felt that the discussion tonight was premature, as it is only an idea at this point. No staff time is being utilized on the project idea.

Mayor Hitchcock saw the Foundation as a fundraising Board that supported the Director in promoting and developing the Square. She felt that a close link should be in place between the Board and the Director.

City Attorney Schwabauer confirmed that the Hutchins Street Square Foundation is an independent 501(c)(3) nonprofit group that can choose its own agenda.

Steve Baker, Interim Community Center Director, reported that the cost for a part-time City employee who assists the Board is reimbursed to the City by the Foundation.

- John Ledbetter, Chairman of the Foundation, stated that its commitment is to be helpful and the Foundation's history is that it has always worked with Council and staff. He agreed that this discussion was premature at this point and stated that when a plan is developed the Council would be informed.
- Dennis Bennett stated that the Foundation Board members are visionaries who have been able to promote the Square and raise millions of dollars. Its Board has run the Foundation impeccably for 25 years. He believed the Foundation was successful because it "kept City Hall out of Hutchins Street Square." The Foundation has never spent money without prior approval from Council, nor does it have the authority to obligate money.

MOTION / VOTE:

There was no Council action taken on this matter.

- D-6 "Provide direction with regard to a request from Mayor Pro Tempore Johnson for a Council-sponsored quarter-cent sales tax increase to pay for public safety and/or open space acquisition"

Mayor Pro Tempore Johnson stated that a significant portion of the City's general fund is spent on public safety and he suggested that Council consider a sales tax increase to maintain the current funding toward Police and Fire services, which would free up money for other departments.

Council Member Hansen was opposed to a Council sponsored sales tax measure for the November 2006 election because Measure K (half-cent sales tax dedicated to transportation) and the citizens Fire & Facilities Sales Tax initiative would be on the ballot. When there are multiple tax increase requests on ballots, the tendency is for people to vote no on all of them. He suggested that the 2008 election be targeted for Mr. Johnson's proposal, which would allow time to develop a good plan to promote it.

Council Member Mounce agreed with Mr. Hansen's comments. She preferred that the sales tax increase also be for the purpose of preserving open space.

Council Member Beckman also agreed the proposal would be worth considering, but not for the November 2006 election.

Mayor Hitchcock stated that if she were ever to support a sales tax increase it would have to be for something very important that would have a far reaching, generational type impact, such as a greenbelt. She felt the discussion was premature at this point because the Greenbelt Task Force had not yet formulated its plan for the greenbelt.

City Manager King stated that he would inform Council of when the next League of California Cities workshop is held on the topic of city participation in ballot measure campaigns.

MOTION / VOTE:

There was no Council action taken on this matter.

- D-7 "Provide direction with regard to a request from Mayor Hitchcock regarding coordination of requests by Council Members to place items on the agenda"

Mayor Hitchcock favored conducting special meetings in months with five Wednesdays to consider special requests of Council Members, as was done tonight.

Council Member Beckman voiced support for option one as provided on the blue sheet (filed), i.e. reviewing the "Pending Council Requests" report that is prepared by the City Clerk at Shirtsleeve Sessions and deciding on the disposition of each matter at that time. Items could then be scheduled for regular meetings as time permits. He also favored speaker time limits as a way of making meetings more efficient.

Council Member Mounce preferred that Council requests to place items on the agenda be scheduled for regular meetings. She felt it was important that citizens be allowed a full opportunity to speak and be heard.

Mayor Pro Tempore Johnson felt that Council meetings should be expedited and that Council Members, public, and staff could speak more succinctly. He favored speaker time limits of three minutes, and felt that if the public was aware of the limitation in advance they would compose their thoughts accordingly and be prepared. He felt that any Member of Council should be able to place an item on the agenda. He complained of routine equipment problems causing delays and lack of knowledge by staff in using computer software. He suggested that the number of, and comments, under the heading of presentations/proclamations be limited.

Council Member Hansen defended the right of any Council Member to request an item be agendaized and discussed.

Mayor Hitchcock summarized that Council Members should be judicious about adding items to the agenda, that the Pending Council Requests reports be reviewed during Shirtsleeve Sessions, and that Council requested items be scheduled on regular meeting agendas if possible, otherwise a special meeting on fifth Wednesdays of the month would be held.

MOTION / VOTE:

There was no Council action taken on this matter.

Continued March 29, 2006

E. ADJOURNMENT

There being no further business to come before the City Council, the meeting was adjourned at 12:18 a.m., Thursday, March 30, 2006.

ATTEST:

Susan J. Blackston
City Clerk

**LODI CITY COUNCIL
SPECIAL JOINT CITY COUNCIL MEETING
WITH THE REDEVELOPMENT AGENCY
CARNEGIE FORUM, 305 WEST PINE STREET
WEDNESDAY, MARCH 29, 2006**

A. CALL TO ORDER / ROLL CALL

The Special Joint City Council meeting with the Redevelopment Agency of March 29, 2006, was called to order by Chairperson Hitchcock at 6:35 p.m.

Present: Members – Beckman, Hansen, Johnson, Mounce, and Chairperson Hitchcock

Absent: Members – None

Also Present: City Manager King, City Attorney Schwabauer, and City Clerk Blackston

B. REGULAR CALENDAR

- B-1 “Joint Meeting of the Lodi City Council and Redevelopment Agency to discuss and provide direction to staff regarding introduction of ordinances to limit Lodi’s use of eminent domain (through the City of Lodi or the Redevelopment Agency) to acquisition property that will be put to a municipal use”

City Attorney Schwabauer recalled that Council had directed him to bring a draft ordinance forward to address the situation that arose by the Supreme Court’s decision in the case of *Kelo versus the City of New London*. The Supreme Court ruled that the constitution does not prohibit the State from taking property for a development use that would be for the benefit of a business owner who would also operate for the benefit of the community which accrues from the redevelopment itself and from the rebirth of the area. Senator McClintock initiated State Constitutional Amendment 15 (SCA 15). When it was introduced, it provided that eminent domain could not be used to acquire property and turn it over to a private party. It said that if property were ever sold to a private party after being acquired by eminent domain, it would have to be turned over to the original purchaser at the lesser of the acquisition price or its current market value. It also prohibited turning over of the property to a private nonprofit corporation. SCA 15 has been amended and now requires the property to be turned over to the original property owner at its current fair market value. It now allows property to be condemned and rented or leased to a 501c3. Mr. Schwabauer proposed a change to include a minimum time requirement by which the governmental entity has to operate and, if it exceeds that amount, then the passage of time can allow the governmental entity to change its mind about what it might do. Mr. Schwabauer explained that Council has been presented with two ordinances, one controlling City Council’s action and one controlling Redevelopment Agency action. He advised Council that it would need to include in its motion whether or not to have language that would restore SCA 15 to its original reading that would allow the property to go back to its current or acquired value and the timeframe within which the reacquisition right would lapse.

Council Member Beckman felt that a ten-year period would be a good timeframe, if at some point the original owner is going to have the option of repurchasing it, because the property is no longer being used for a public purpose. He preferred that they be able to repurchase it at the cost the government paid them for it.

Council Member Mounce felt that it should be a 20-year period and she agreed with Mr. Beckman that the repurchase price should be what the government paid for the property.

Council Member Hansen voiced support for the proposed ordinances.

Mayor Pro Tempore Johnson expressed his opinion that there are times when eminent domain condemnation for private purposes can make sense and be advantageous to all concerned. He believed that when a municipality proceeds with condemnation it usually pays well over the asking price for the property. Mr. Johnson was opposed to the proposed ordinances, as he did not want Council’s “hands tied” by putting a law in place that constrains it from taking what may be the best course of action.

Mayor Hitchcock agreed with Mr. Johnson's statements. She felt that there may be a possibility in the future (especially because of the City's aging infrastructure) where eminent domain should be used. She contended that to give up the tool that eminent domain provides would be a disservice to the community. She noted that there are certain situations where property owners prefer eminent domain because it results in tax savings for them.

PUBLIC COMMENTS:

- Eunice Friederich stated that in larger cities there have been abuses of redevelopment and the use of eminent domain, and she noted that Lodi is growing. She believed that most people were afraid of government and do not have adequate financial resources to engage in legal battles with cities.
- Barbara Flockhart pointed out that money derived from redevelopment must be paid back with interest. Some cities are finding it difficult to pay back, even the interest alone, on the money they borrowed. She was opposed to the use of eminent domain.

MOTION:

Council Member Beckman made a motion, Mounce second, to introduce the following ordinances, with language amendments to both as shown below:

"(b) If any property taken through eminent domain after the effective date of this Ordinance ceases to be used for the stated public use, within **ten** years of its original acquisition, the former owner of the property or a beneficiary or an heir, if a beneficiary or heir has been designated for this purpose, shall have the right to reacquire the property **at the original purchase price or fair market value of the property, whichever is lesser**, before the property may be otherwise sold or transferred."

- Ordinance No. 1775 entitled, "An Ordinance of the City Council of the City of Lodi Amending Title 15 – Buildings and Construction – of the Lodi Municipal Code by Adding Chapter 15.72 Relating to Eminent Domain"; and
- Ordinance No. 1776 entitled, "An Ordinance of the City Council of the City of Lodi Amending Title 2 – Personnel and Administration – of the Lodi Municipal Code by Adding Chapter 2.52.020 Relating to Eminent Domain."

DISCUSSION:

Mayor Hitchcock warned that if the City invested a lot of money in properties the reacquisition language as proposed would strip the City of its investments.

VOTE:

The above motion carried by the following vote:

Ayes: Council Members – Beckman, Hansen, and Mounce

Noes: Council Members – Johnson and Mayor Hitchcock

Absent: Council Members – None

C. ADJOURNMENT

There being no further business to come before the Redevelopment Agency, the meeting was adjourned at 7:14 p.m.

ATTEST:

Susan J. Blackston
City Clerk / Secretary
Redevelopment Agency

**LODI CITY COUNCIL
REGULAR CITY COUNCIL MEETING
CARNEGIE FORUM, 305 WEST PINE STREET
WEDNESDAY, APRIL 19, 2006**

C-1 CALL TO ORDER / ROLL CALL

The City Council Closed Session meeting of April 19, 2006, was called to order by Mayor Hitchcock at 5:35 p.m.

Present: Council Members – Beckman, Hansen, Johnson, Mounce, and Mayor Hitchcock

Absent: Council Members – None

Also Present: City Manager King, City Attorney Schwabauer, and City Clerk Blackston

C-2 ANNOUNCEMENT OF CLOSED SESSION

- a) Pursuant to Government Code §54956.9(c); conference with legal counsel – anticipated litigation/initiation of litigation – regarding County of San Joaquin EMS Order to change 911 Fire Dispatch Providers; one potential case
- b) Actual litigation: Government Code §54956.9(a); one case; *People of the State of California; and the City of Lodi, California v. M & P Investments, et al.*; United States District Court, Eastern District of California, Case No. CIV-S-00-2441 FCD JFM
- c) Conference with Blair King, City Manager, and Jim Krueger, Deputy City Manager (Labor Negotiators), regarding Lodi Professional Firefighters, Police Management, and Association of Lodi City Employees regarding General Services pursuant to Government Code Section §54957.6
- d) Conference with legal counsel – anticipated litigation – significant exposure to litigation pursuant to subdivision (b) of Section 54956.9; one case; pursuant to Government Code §54956.9(b)(3)(A) facts, due to not being known to potential plaintiffs, shall not be disclosed

C-3 ADJOURN TO CLOSED SESSION

At 5:35 p.m., Mayor Hitchcock adjourned the meeting to a Closed Session to discuss the above matters.

The Closed Session adjourned at 6:55 p.m.

C-4 RETURN TO OPEN SESSION / DISCLOSURE OF ACTION

At 7:02 p.m., Mayor Hitchcock reconvened the City Council meeting, and City Attorney Schwabauer disclosed that no reportable action was taken in closed session.

A. CALL TO ORDER / ROLL CALL

The Regular City Council meeting of April 19, 2006, was called to order by Mayor Hitchcock at 7:02 p.m.

Present: Council Members – Beckman, Hansen, Johnson, Mounce, and Mayor Hitchcock

Absent: Council Members – None

Also Present: City Manager King, City Attorney Schwabauer, and City Clerk Blackston

B. INVOCATION

The invocation was given by Pastor Bill Cummins, Bear Creek Community Church.

C. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mayor Hitchcock.

D. AWARDS / PROCLAMATIONS / PRESENTATIONS

D-1 Awards – None

D-2 (a) Police Chief Adams reported that the Police Partners program has operated for the past 12 years. In 2005, the Partners donated 26,850 hours to the Police Department, which equates to an estimated fiscal impact of \$484,000. There are 96 Partner volunteers. The Police Chaplaincy program formed in 1994, and there are now five clergy members participating. There are four reserve officers in the Lodi Police Reserve program. The Lodi Police Cadet Program is designed for volunteers ages 16 to 24 years, and 18 cadets are enrolled in the program today. The Regional Occupation Program Academy has 56 high school juniors and seniors participating. In addition to the 125 front line Lodi Police volunteers, there are 46 community volunteers. Jeanie Biskup, Special Services Manager, pointed out that Partners work in many areas within the Police Department that generate revenue for the City such as parking enforcement, tow releases, and the alarm program. In 2005, the revenue from these programs deposited in the City General Fund amounted to \$77,886. Mayor Hitchcock presented a proclamation to Police Chief Adams proclaiming the week of April 23 – 29, 2006, as “National Volunteers Week” in the City of Lodi.

D-3 (a) Mayor Hitchcock presented a Certificate of Recognition to Cody Miln, Student President of the Robotics Team, and the participating students of Jim Elliot Christian High School for advancing to the National Robotics Competition in Atlanta, Georgia.

D-3 (b) Following introductory comments by Tony Segale, representing the Wall Dogs, Dave Buccolo with Central California Traction Company presented a \$10,000 donation to the Wall Dogs for the Lodi Station Parking Structure Wall Dog Mural project.

E. CONSENT CALENDAR

In accordance with the report and recommendation of the City Manager, Council, on motion of Council Member Mounce, Beckman second, unanimously approved the following items hereinafter set forth **except those otherwise noted**:

E-1 Claims were approved in the amount of \$6,541,342.33.

E-2 The minutes of March 1, 2006 (Regular Meeting), March 21, 2006 (Shirtsleeve Session), and April 11, 2006 (Shirtsleeve Session) were approved as written.

E-3 Adopted Resolution No. 2006-56 approving the plans and specifications; authorizing advertisement for bids for Municipal Service Center Compressed Natural Gas Fueling Station Expansion, 1331 South Ham Lane; and authorizing the City Manager to execute and amendment to professional services agreement with T. Mitchell Engineers and Associates in the amount of \$14,600.

E-4 Approved the specifications and authorized advertisement for bids for 3,000 tons of asphalt materials for fiscal year 2006-07.

E-5 “Approve specifications and authorize advertisement for bids for Annual Tree Trimming Contract (Power Line Clearing) for Electric Utility Department (\$350,000)” was **removed from the Consent Calendar and discussed and acted upon following approval of the Consent Calendar**.

E-6 “Adopt resolution authorizing the Public Works Street Division to waive the bidding process and award to an existing professional services agreement for tree trimming between city of Brentwood and West Coast Arborists, Inc., for trimming of 510 trees (\$25,000) and authorizing the City Manager to award the contract” was **removed from the Consent Calendar and discussed and acted upon following approval of the Consent Calendar**.

- E-7 Accepted the improvements under "Water Meter Installation Project" contract.
- E-8 Adopted Resolution No. 2006-57 accepting the improvements under "Kettleman Lane (Route 12) Gap Closure Project from Lower Sacramento Road to Ham Lane and from Stockton Street to Cherokee Lane" contract and appropriating additional funds in the amount of \$102,800.
- E-9 Accepted the improvements under "Lodi Avenue Overlay (Lower Sacramento Road to Ham Lane) / Pacific Avenue Extension (Walnut Street to Lodi Avenue) Project" contract.
- E-10 Adopted Resolution No. 2006-58 accepting improvements under "Lower Sacramento Road Widening Project, Kettleman Lane to Harney Lane" contract and appropriating \$5,000 and received notification of Contract Change Orders and property owner reimbursement.
- E-11 Adopted Resolution No. 2006-59 accepting improvements for the Harney Lane Canal Crossing Project and appropriating additional funds in the amount of \$66,520 for applicable reimbursements.
- E-12 Adopted Resolution No. 2006-60 accepting the development improvements at 33 North Cluff Avenue.
- E-13 Adopted Resolution No. 2006-61 approving the improvement deferral agreement for 710 Willow Avenue and authorizing the City Manager and City Clerk to execute the agreement on behalf of the City.
- E-14 Adopted Resolution No. 2006-62 approving a one-year extension of the 2005-06 Annual Curb, Gutter, and Sidewalk Replacement contract with Jeff Case Construction Company for 2006-07 fiscal year with a three percent increase at a cost of \$71,200.
- E-15 Adopted Resolution No. 2006-63 supporting the Watershed Stakeholder Outreach Projects proposed by Central Sierra Resource Conservation & Development, Inc.
- E-16 Adopted Resolution No. 2006-64 amending Traffic Resolution 97-148 by approving one-hour parking (school days only) on the north side of Century Boulevard in front of bus turnout at Tokay High School.
- E-17 Adopted Resolution No. 2006-65 approving Resource Adequacy Program for the City of Lodi.
- E-18 Adopted Resolution No. 2006-66 approving the naming of Salas Park southwest baseball diamond for Michael Moore.
- E-19 "Adopt resolution supporting the preservation of the existing U.S. Department of Housing and Urban Development Community Development Block Grant program" was **removed from the Consent Calendar and discussed and acted upon following approval of the Consent Calendar.**
- E-20 Adopted Resolution No. 2006-67 supporting a Constitutional amendment to ensure that Proposition 42 revenues are used exclusively for state and local transportation projects and that revenues previously used to offset non-transportation purposes are reimbursed.
- E-21 "Authorize Mayor to sign letters of opposition to the U.S. House of Representatives Committee on Energy and Commerce bill, *Communications, Opportunity, Promotion, and Enhancement Act of 2006* (Barton-Rush), and the California State Assembly bill, *AB 2987 (Nunez)*, to prevent the pre-emption of local control of cable television franchises" was **removed from the Consent Calendar and discussed and acted upon following approval of the Consent Calendar.**

- E-22 Set public hearing for May 3, 2006, to consider adopting resolution adjusting Consumer Price Index-based water and wastewater rates.
-

ACTION ON ITEMS REMOVED FROM THE CONSENT CALENDAR

- E-5 "Approve specifications and authorize advertisement for bids for Annual Tree Trimming Contract (Power Line Clearing) for Electric Utility Department (\$350,000)"

Mayor Pro Tempore Johnson asked if the mistletoe could be removed from the trees selected under this contract.

Electric Utility Director Morrow replied that he would communicate the request to the supervisor for the tree crew and would make sure the bidders are aware. Mr. Morrow stated that he would report back if he learned there was a fiscal or productivity issue related to the mistletoe removal.

MOTION / VOTE:

The City Council, on motion of Mayor Pro Tempore Johnson, Beckman second, unanimously approved the specifications and authorized advertisement for bids for Annual Tree Trimming Contract (Power Line Clearing) for Electric Utility Department.

- E-6 "Adopt resolution authorizing the Public Works Street Division to waive the bidding process and award to an existing professional services agreement for tree trimming between city of Brentwood and West Coast Arborists, Inc., for trimming of 510 trees (\$25,000) and authorizing the City Manager to award the contract"

Council Member Hansen suggested that Public Works identify 510 trees that have mistletoe and make them a priority for the tree trimming contract.

Public Works Director Prima indicated that he would do so and report back on the status.

MOTION / VOTE:

The City Council, on motion of Council Member Hansen, Johnson second, unanimously adopted Resolution No. 2006-68 authorizing the Public Works Street Division to waive the bidding process and award to an existing professional services agreement for tree trimming between city of Brentwood and West Coast Arborists, Inc., for trimming of 510 trees at an estimated project cost of \$25,000 and authorizing the City Manager to award the contract.

- E-19 "Adopt resolution supporting the preservation of the existing U.S. Department of Housing and Urban Development Community Development Block Grant program"

Council Member Beckman explained that he asked for the item to be pulled from the Consent Calendar so that he could vote in opposition.

MOTION / VOTE:

The City Council, on motion of Mayor Pro Tempore Johnson, Hansen second, adopted Resolution No. 2006-69 supporting the preservation of the existing U.S. Department of Housing and Urban Development Community Development Block Grant program. The motion carried by the following vote:

Ayes: Council Members – Hansen, Johnson, Mounce, and Mayor Hitchcock

Noes: Council Members – Beckman

Absent: Council Members – None

- E-21 "Authorize Mayor to sign letters of opposition to the U.S. House of Representatives Committee on Energy and Commerce bill, *Communications, Opportunity, Promotion, and Enhancement Act of 2006* (Barton-Rush), and the California State Assembly bill, *AB 2987 (Nunez)*, to prevent the pre-emption of local control of cable television franchises"

PUBLIC COMMENTS:

- Kathy Halsey, AT&T External Affairs, stated that this legislation eliminates impediments to investments in next generation broadband network services and promotes video competition. It also encourages investments in next generation broadband network infrastructure, which will help California solidify its position as a world technology leader. AT&T is prepared to invest up to \$1 billion dollars over the next three years in California to update its fiber optic network. It promotes competition in the video service market; ensuring consumers will have more control and choice over their video and entertainment experiences. These pieces of legislation streamline the outdated city by city video franchise process and guarantees that local governments will continue receiving a franchise fee up to 5% of gross revenue earned at the locality. It also provides that local governments can monitor and audit the process. It prohibits discrimination based on income and ensures that local governments continue receiving Public, Education and Government channels. It preserves local government's ability to impose user utility taxes. Ms. Halsey asked Council not to oppose the bills.

Council Member Hansen commented that he has always been a proponent of Lodi getting into the business of fiber optics.

Ms. Halsey responded that it is difficult when government competes with the private sector; however, there are advantages to the consumer when competition occurs.

City Attorney Schwabauer stated that the legislation allows businesses such as AT&T to define its own service area and does not require them to build out as the cable system does. He pointed out that AT&T does not use the public rights of way for the Digital Subscriber Line (DSL) service.

Ms. Halsey countered that the law defines that it cannot "redline." She confirmed that the DSL service runs off the telephone lines.

City Manager King explained that cities have been asked to take this position by the League of California Cities who saw these two pieces of legislation as a threat to the concept of local control. The telephone service, through an exemption from the state legislature, is the only utility that is not subject to local franchise fees or local control.

Mr. Schwabauer added that the legislature does not create an enforcement mechanism (for redlining) because it expressly allows them to define their service area. Unless they are required to build out as the cable company is required to do, there will be no mechanism to prevent them from redlining neighborhoods.

Council Member Beckman pointed out that there is information in the staff report that is not in the letter. He did not wish to authorize a letter that expresses opposition to a specific bill or state legislation.

MOTION / VOTE:

The City Council, on motion of Council Member Beckman, Mounce second, unanimously authorized the Mayor to sign letters of opposition (without the mention of specific legislation) to the U.S. House of Representatives Committee on Energy and Commerce bill, *Communications, Opportunity, Promotion, and Enhancement Act of 2006* (Barton-Rush), and the California State Assembly bill, *AB 2987 (Nunez)*, to prevent the pre-emption of local control of cable television franchises.

F. COMMENTS BY THE PUBLIC ON NON-AGENDA ITEMS

- Ken Owen, representing Christian Community Concerns, thanked Council for its decision to display the National motto in the Carnegie Forum lobby. He invited everyone to attend the May 4 National Day of Prayer.

G. COMMENTS BY CITY COUNCIL MEMBERS ON NON-AGENDA ITEMS

None.

H. COMMENTS BY THE CITY MANAGER ON NON-AGENDA ITEMS

- In reference to the earlier presentation regarding the Police Partners, City Manager King clarified that Lodi does not enforce laws for the purpose of generating revenue; rather, it imposes fines for the purpose of achieving compliance with the law.

I. PUBLIC HEARINGS

- I-1 Notice thereof having been published according to law, an affidavit of which publication is on file in the office of the City Clerk, Mayor Hitchcock called for the public hearing to consider the appeal of the Planning Commission's decision of February 22, 2006, to approve a Use Permit for Vineyard Christian Middle School to place a private 6th, 7th, and 8th grade school on the grounds of Lodi Avenue Baptist Church at 2301 West Lodi Avenue (Applicant, Lodi Avenue Baptist Church; File #U-05-20).

NOTE: Due to a potential conflict of interest related to the location of her home to the vicinity of the proposed project, Mayor Hitchcock abstained from discussion and voting on this matter and vacated her seat at the dais at 8:01 p.m.

MOTION TO LIMIT DEBATE:

The City Council, on motion of Mayor Pro Tempore Johnson, Beckman second, voted to limit the main presentations to 15 minutes and public comments to 3 minutes each. The motion carried by the following vote:

Ayes: Council Members – Beckman, Hansen, Johnson, and Mounce

Noes: Council Members – None

Absent: Council Members – None

Abstain: Council Members – Mayor Hitchcock

Peter Pirnejad, Planning Manager, explained that staff's recommendation to uphold the Planning Commission's decision is based on consistency with the City's zoning ordinance and assessment of public safety. The City's Traffic Engineer reported that from 2003 to March 2006 there has been one reported collision in the area. Daily vehicle traffic volume on Allen Drive is 5,000 vehicle trips per day. The latest traffic count on Allen Drive shows 761 vehicle trips per day, and with the addition of the Vineyard Christian Middle School, it is anticipated to increase by 130 vehicle trips per day, which still results in a level of service "A". A public hearing was held before the Planning Commission on February 8 and continued to February 22, at which a vote took place to approve the use permit based on a revised and improved circulation element. Condition D in the conditions of approval address what staff and the applicant consider to be the best traffic flow pattern. Mr. Pirnejad reviewed the 16 conditions of approval as were outlined in the Planning Commission's Resolution No. P.C. 06-05.

Hearing Opened to the Public

- Bob Peterson felt that Planning Commissioner Cummins had a conflict of interest because he is a pastor of a church and, therefore, should have abstained from voting on the matter. The Planning Commission's vote was 4 to 3, so if Commissioner Cummins

had abstained it would have been a tie vote and the Use Permit would not have been approved. Planning Commissioner Kuehne could be perceived as having a conflict of interest because after the February 8 presentation he congratulated members of the Vineyard School for their work at Woodbridge School and disclosed that his own children attend St. Peters Christian School. One of the issues that could not be mitigated was how parents would come into the neighborhood to get to the school, as they could enter by any of the side streets.

- Paula Peterson displayed a map of the neighborhood that showed those in favor of and those opposed to the Vineyard Middle School project. She collected 130 signatures on a petition of those who were opposed to placing the middle school on the grounds of Lodi Avenue Baptist Church. She felt that more people in the neighborhood should have been made aware of the project, rather than just the minimum requirement of 300 feet surrounding the school site. She cited negative impacts of traffic, noise, and appearance. Residents in the area purchased their homes because it is a quiet neighborhood. Ms. Peterson disputed the results of the traffic report, as she knew of five accidents that occurred during the past two years. She did not believe it was possible to mitigate the noise of a middle school.

In response to the conflict of interest allegations, City Attorney Schwabauer did not believe that either rose to the level of a conflict within the meaning of the Fair Political Practices Act. Neither Planning Commissioner had a personal financial interest in the project. In regard to the matter of a tie vote, Mr. Schwabauer explained that either side could have appealed the decision, or in the case of a tie vote, a non-decision.

- Karen Hale, Principal of Vineyard Christian Middle School, reported that the school opened in 2004. Currently, it operates out of five modular buildings on the site of Woodbridge Middle School; however, its lease ends in June. It has three classrooms; one class for 6th, 7th, and 8th grades not to exceed 28 students in each class and is in session from 8:30 a.m. to 3:10 p.m. Its after school athletic enrichment program is located off site. She assured Council that all rules, regulations, conditions, and expectations set forth by the Planning Commission and the Site Plan and Architectural Review Committee (SPARC) will be adhered to.

In answer to questions posed by Council Member Hansen, Ms. Hale estimated that 10 cars at a time, up to a total of 40, would be at the school. She did not foresee many of the parents using the side streets. Approximately ten of the students walk to school.

SPEAKERS IN FAVOR

- George Liepart stated that Lodi has a rich, healthy, and ongoing tradition of church / school relationships. It is a part of the community that has been in place for years and there have not been any challenges or problems with them. Vineyard Christian Middle School will be using newer modular buildings, which will be painted, refurbished, landscaped, etc. in accordance with SPARC direction.

Council Member Hansen disclosed that he met prior to the meeting with Mr. Liepart to discuss the project.

Council Member Beckman stated that he met with David and Christy Roberts in their home to discuss this matter. He also spoke previously with one of the proponents of the project who asked that the public hearing be held when all five members of the Council were present.

Council Member Mounce spoke prior to the meeting to Ms. Peterson, Ms. Oliver, Ms. Pitchford, and two members of the school, in addition to receiving numerous calls and emails about the matter.

Mayor Pro Tempore Johnson disclosed that he spoke with Paul Teramino who was opposed to the project; Ron Httle who was in favor; and Michael Hakeem, attorney representing Vineyard Christian Middle School.

- Alyssa Oliver distributed maps and photos (filed) and noted that neither of the school driveways align with the side streets. There is only one way in and one way out of the parking lot, and curb drop off or pick up is not allowed. Parents have received written instructions. There will be an adult monitor present.
- Kevin Huber, parent of a student at Vineyard School, spoke in support of the school curriculum and the proposed site. He stated that the project is a compatible use in the neighborhood and could be considered a model of how to utilize existing facilities, thus taking up less vacant land.
- Mike Hakeem, attorney representing Vineyard School, noted that there are many examples of schools in Lodi that are adjacent to residential areas, many with larger school populations, and those existing facilities have not had conflicts. There will be no offsite lunch. The traffic pattern has been reconfigured by the Planning Commission with a right-turn, right-out only. The scheduling and timing of the school has been geared not to conflict with St. Peters Lutheran School. In addition, Vineyard School has coordinated its schedule with church activities. There will be a school contact person available to the neighbors at all times to deal with issues that may surface. The school will be required to construct a five-foot fence on Allen Drive. He pointed out that the conditional use permit allows the City to bring the matter back for conditional review, revisitation of mitigation, or for revocation if necessary.
- Stacy Moffatt, parent of a Vineyard School student, commented that change is always difficult. She noted that the school has an elevated standard of excellence and asked Council to uphold the Planning Commission decision.
- Pat Patrick, parent of a Vineyard School student, stated that school leadership personnel are caring of the children and parents' concerns, respectful, professional, and focused on quality. He stated that the parking lot is large enough to handle all the cars that would be there at one time during drop off or pick up. He felt that the school creates great citizens and asked the Council to uphold the Planning Commission's decision.
- Christi Hilscher pointed out that neighborhoods sometimes change and a church brings activity to areas.
- Olivia Oliver mentioned that she attended Vineyard School last year and felt that it was an excellent opportunity that prepared her well for high school. Students at the school are held to very high standards.
- Linda Engrav-Clarke believed that the school would be a positive impact on the neighborhood. Ms. Clarke mentioned that she originally signed the petition in opposition to the school; however, after learning more about it she changed her mind. She stated that the school is acting in good faith to solicit neighborhood input regarding aesthetic qualities residents would like to see in the school. She disputed comments made about accidents in the area, as she felt if they occurred, the City's traffic engineers would have known about it.
- Tammi Enos, Secretary for the Vineyard School, asked when people quit loving the noise of children.

- Marsha Fitzgerald, parent of a student at Vineyard School, recalled that she had opposed the construction of a continuation school near her home. Neighbors picketed the school because they feared the worst. Ms. Fitzgerald reported that no problems have occurred in the year and a half that the school has been in operation. Residents' fears had been unfounded. She mentioned that students at Vineyard School learn the importance of serving the community.

RECESS

At 9:34 p.m., Mayor Pro Tempore Johnson called for a recess, and the City Council meeting reconvened at 9:41 p.m.

I. PUBLIC HEARINGS (Continued)

I-1 SPEAKERS IN OPPOSITION

(Cont'd.)

- Linda Reichert noted that Vineyard School is not a public/free school, yet it is inserting itself into an already existing mature neighborhood over the opposition of 85% of the residents surrounding it. The two Planning Commissioners who voted against the matter expressed concern regarding the parking spaces. If other uses occur during the day while the school is in session there will not be adequate parking.
- Rico Bianchi stated that there are five schools within walking distance of his home and he complained of traffic congestion and speeding.
- Treacy Dorth stated that the area is already noisy and the Vineyard School will worsen it and create traffic problems.
- David Johnson expressed safety concerns and believed that traffic will increase as a result of the Vineyard School.
- Dean Walker stated that the school will consume 25 parking spaces and there will not be enough remaining for the church. The church is required to have one parking space for every four of its 300 seats. He suggested that if Council is going to uphold the Planning Commission decision that it do so on the condition that the neighborhood approve the architectural review process through SPARC.
- Delores Hansen mentioned that she sent a letter to Council about this matter. She felt that the school would not have adequate space and was opposed to portable buildings and noise impacts.
- Chris Johnson stated that she chose to purchase a home in an established, quiet neighborhood that would not change. She voiced concern about increased traffic and noise.

REBUTTAL

- Paula Peterson stated that no one had taken into consideration the concentration of traffic in the area due to St. Peters, Reese, and Lodi High Schools.
- Mike Hakeem pointed out that City staff has determined that the average daily traffic could equal or exceed 2,000 cars a day and not violate the planning and safety principles established under the City's program element. With 761 cars currently and the 130 added, the street capacity will only be at 50%. SPARC will review the modular buildings, and the community will have an opportunity to participate and provide input to determine their appearance. Regarding noise, he mentioned that there will be only one recess and one lunch period Monday through Friday.

Public Portion of Hearing Closed

Community Development Director Hatch reported that the modular buildings would take up 14 of the existing 61 parking spaces. The church has 80 to 100 parishioners, though its capacity is 300. The Planning Commission made a finding that 47 parking spaces were adequate for both the school and church.

Council Member Beckman stated that in this situation there is a private property owner who wants to lease some of its land for a use allowed under the City's zoning laws. Mr. Beckman explained that he tends to approve an allowable use unless there is a demonstrated harm that is going to be inflicted upon someone else, and that is not the case in this situation. He saw this matter as private property rights being exercised properly.

MOTION:

Council Member Beckman made a motion, Hansen second, to adopt Resolution No. 2006-70 upholding the Planning Commission's decision and approving the request of Lodi Avenue Baptist Church for a Use Permit to allow Vineyard Christian Middle School to locate on church property at 2301 West Lodi Avenue, subject to the conditions as recommended by the planning commission.

DISCUSSION:

Council Member Mounce expressed concern regarding parking. She preferred to view finished plans and SPARC review prior to making a decision. She noted that personal property rights also include all the people who own property in the neighborhood surrounding the project.

Council Member Hansen had confidence in the conditional use process and noted that it could be revoked if promises and conditions were not adhered to.

VOTE:

The above motion carried by the following vote:

Ayes: Council Members – Beckman, Hansen, and Johnson

Noes: Council Members – Mounce

Absent: Council Members – None

Abstain: Council Members – Mayor Hitchcock

RECESS

At 10:26 p.m., Mayor Pro Tempore Johnson called for a recess, and the City Council meeting reconvened at 10:32 p.m. Mayor Hitchcock returned to the dais.

J. COMMUNICATIONS

J-1 Claims filed against the City of Lodi – None

J-2 The following postings/appointments were made:

- a) The City Council, on motion of Council Member Hansen, Mounce second, unanimously directed the City Clerk to post for the following expiring terms:

Greater Lodi Area Youth Commission

(Adult Advisors)

Dale Jones Term to expire May 31, 2006

Elizabeth Mazzeo Term to expire May 31, 2006

Brad VanderHamm Term to expire May 31, 2006

Library Board of Trustees

Tariq Din	Term to expire June 30, 2006
Christine Lavond	Term to expire June 30, 2006

Lodi Arts Commission

Ben Burgess	Term to expire July 1, 2006
Nancy Carey	Term to expire July 1, 2006
Patrick Stockar	Term to expire July 1, 2006

Lodi Planning Commission

Dennis Haugan	Term to expire June 30, 2006
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San Joaquin County Commission on Aging

Terri Whitmire	Term to expire June 30, 2006
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J-3 Miscellaneous

- a) City Clerk Blackston presented the cumulative Monthly Protocol Account Report through March 31, 2006.

K. REGULAR CALENDAR

- K-1 "Adopt resolution implementing surface water treatment program utilizing Woodbridge Irrigation District contractual allotment and authorizing solicitation of water treatment plant proposals"

Public Works Director Prima reported that the basin Lodi draws its water from is in overdraft. The City and surrounding areas are using far more water than nature is replenishing. Lodi entered a contract with Woodbridge Irrigation District (WID) to purchase 6,000 acre feet of surface water from the Mokelumne River. The water is available from March through October for a period of 40 years at a cost of \$1.2 million per year. For the first three years of the agreement, the City can bank water on paper that it does not use and take it in a later year as it is available. Currently, staff is negotiating with WID to extend the banking option for an additional four years during the time it works on implementing a project. Staff had originally thought that groundwater recharge would be cost effective and provide a direct benefit; however, regulatory requirements have increased and it now appears the cost would be as much, if not greater, than a surface water plant. The possibility of doing surface recharge still exists, but it takes a lot of land and there remains the question as to how much it would benefit Lodi. Short-term sales of the water were considered; however, it has been a wet year so there is little interest. Staff considered using the surface supply for irrigation of parks and school grounds, but it would require building a huge system. In light of other options, staff returned to the idea of treating and drinking the WID water as the best scenario. As a municipal water pumper, the City has a lower standing in terms of water rights than overlying property owners. The Water Code now states that groundwater recharge is not considered a beneficial use of water. Mr. Prima stated that if groundwater recharge were pursued, the west side of the City would be the optimal location for the basin. North of the City, the water has manganese problems and salinity is high in other areas. Near Flag City at Interstate 5, wells have nitrate that exceeds safe drinking water limits. Stockton faces a problem along Interstate 5 where its wells have issues with salinity and high chloride. The Micke Grove area has an issue with DBCP and they have had to install filters on their wells.

Mr. Prima reported that the overdraft of the basin is 150,000 to 200,000 acre feet per year. Staff's conclusion is that the best use of the WID water would be to treat and drink it. If Council approves the concept, it would take four years before a surface water treatment plant could be in operation. Continued reliance on groundwater as 100% of the City's water supply is not sustainable.

In reply to Council Member Hansen, Mr. Prima confirmed that the majority of the cost of a surface water treatment plant could be passed on to new development. Staff recommends an ultra-filtration plant using membranes that would not require chlorination throughout the entire process.

Mayor Pro Tempore Johnson expressed interest in a joint venture with Stockton, noting that it intends to take 33,000 acre feet of water from the Delta on a periodic basis. He noted that the staff report estimates the cost of a water treatment plant would create the need for a 15% increase in water rates, though the cost could eventually be passed on to new development. Mr. Johnson stated if that occurred, it would be important to develop a way to reimburse existing rate payers when development begins to pay for the plant.

Council Member Beckman felt there was no reason to buy land when the City would only use it for 40 years. The land for groundwater recharge can be leased. A treatment plant would sit dormant for four months out of the year when WID water is not available. Mr. Beckman stated that he strongly supported the groundwater recharge option.

Council Member Mounce questioned where the treatment plant would be located, to which Mr. Prima replied that likely locations are west of the WID canal, the western 13 acres at Lodi Lake, or the General Mills property that is vacant.

Mayor Hitchcock expressed her opinion that the area has been overbuilt and Lodi does not have the water supply to handle large development projects. The proposal only replaces 6,000 acre feet of water into an overdraft of 200,000 acre feet. She pointed out that the staff report shows \$300,000 an acre to purchase land, yet developers are charged \$200,000 an acre. She reported that land recently sold for \$30,000 an acre between Eight Mile Road and Harney Lane. She agreed with Council Member Beckman that land should be leased for groundwater recharge. Since staff began giving presentations to Council on this topic, the cost estimate for groundwater recharge increased 62% and the cost of a surface water treatment plant decreased 19%. She expressed concern regarding chlorinating the City's water system.

Mr. Prima replied that the last time staff did an update to adjust land costs was more than two years ago and at that time it was \$200,000 an acre. Staff now estimates it would be the equivalent of \$300,000 an acre to utilize a site for groundwater recharge.

Ed Steffani, General Manager of the North San Joaquin Water Conservation District, pointed out that even after the proposed Stockton and Lodi treatment plants were in operation, there would still be a 170,000 acre foot overdraft. The two plants would cost \$220 million and yet little would be done to solve the problem. Most of the overdraft will take place in the eastern part of the county where they cannot afford to correct the situation. He recommended that the cities work together, combine resources, pursue matching bonds, and do a major groundwater recharge project. He asked Council to delay action for six weeks to allow for the completion of tests at the Micke Grove site. He stated that four to six wells could be placed on the south side of Micke Grove and Lodi could capture all the water it put into the ground for much less cost than a treatment plant.

Council Member Hansen asked whether storm water could be captured and used for recharge.

Mr. Prima replied that most of the storm water goes into the Woodbridge canal. Staff has discussed setting up a recharge project adjacent to the canal.

PUBLIC COMMENTS:

- Dennis Alexander described his vineyard operation and results of drip irrigation and summer water evaporation from various farming techniques. He warned against groundwater recharge at the Micke Grove property because of the chemicals that have

been applied over many years to the vineyards and farmland. Once the contaminants reach the aquifer the well water would be unusable. He recommended that a water treatment facility be constructed using private money by selling stock or shares.

Council Member Hansen asked Mr. Prima to look into the possibility of using private money to fund the water treatment plant.

- Ann Cerney suggested that the two large proposed developments are driving this discussion. She noted that \$25 million is the estimate for the treatment plant, the WID water will cost \$48 million over 40 years, and the groundwater contamination cleanup is estimated to cost \$45 million. To date, the only clear step taken to address the financial consequences of these expenses is to increase the rates to ratepayers. She supported the groundwater recharge option and encouraged Council to wait six weeks as requested by Mr. Steffani.
- Dave Philips voiced support for groundwater recharge and stated that he did not want Lodi's water chlorinated.

MOTION #1:

Council Member Beckman made a motion, Hitchcock second, to NOT pursue a water treatment plant and to explore other options.

DISCUSSION:

Mayor Pro Tempore Johnson and Council Member Mounce indicated support for the water treatment plant option; however, both were willing to wait six weeks for the test results at the Micke Grove property.

Council Member Hansen stated that he wanted Lodi to receive 100% of the benefit from the WID water.

VOTE:

The above motion **failed** by the following vote:

Ayes: Council Members – Beckman and Mayor Hitchcock

Noes: Council Members – Hansen, Johnson, and Mounce

Absent: Council Members – None

MOTION #2 / VOTE:

The City Council, on motion of Council Member Hansen, Mounce second, voted to delay action for six weeks to allow for the Northern San Joaquin Water Conservation District to complete its groundwater recharge studies and directed staff to evaluate and report back to Council with cost estimates for groundwater recharge versus a water treatment plant, cost implications of buying versus leasing property, and an analysis of water chemistry issues at the proposed Micke Grove site for the groundwater recharge project. The motion carried by the following vote:

Ayes: Council Members – Hansen, Johnson, Mounce, and Mayor Hitchcock

Noes: Council Members – Beckman

Absent: Council Members – None

VOTE TO CONTINUE WITH THE REMAINDER OF THE MEETING

The City Council, on motion of Mayor Pro Tempore Johnson, Beckman second, voted to continue with items K-2, L-1, L-2, M-1, M-2, and M-3 following the 11:00 p.m. hour. The motion carried by the following vote:

Ayes: Council Members – Beckman, Hansen, Johnson, and Mayor Hitchcock

Noes: Council Members – Mounce

Absent: Council Members – None

K. REGULAR CALENDAR (Continued)

- K-2 "Consider extending the active date to May 12, 2006, for an application submitted by San Joaquin Valley Land Company for entitlements related to development of a 220-acre site located immediately south of Harney Lane between State Route 99 and the Union Pacific Railroad, pending a decision by Blue Shield of California to remain and expand in Lodi"

City Manager King recalled that on January 18 Council authorized that an agreement be entered into between Blue Shield and San Joaquin Valley Land Company to provide for reimbursement of costs related to engineering and planning for the development of 220 acres, of which 20 acres was intended to accommodate a new Blue Shield office, 41 acres for retail shopping, and 134 acres for residential and supporting uses. The agreement contemplated that Blue Shield would make a decision by February 28 whether to pursue purchase of the office site. The applicant and Blue Shield have requested relief from the decision date deadline. Blue Shield has indicated that it now expects to make a decision no later than May 12.

MOTION:

Council Member Beckman made a motion, Johnson second, to extend the active date to May 12, 2006, for an application submitted by San Joaquin Valley Land Company for entitlements related to development of a 220-acre site located immediately south of Harney Lane between State Route 99 and the Union Pacific Railroad, pending a decision by Blue Shield of California to remain and expand in Lodi.

DISCUSSION:

Mayor Hitchcock preferred that it go through the general plan process.

Council Member Mounce recalled that she originally voted against the proposal, but has changed her opinion based on the fact that Blue Shield is an important company that the City could not afford to lose.

Council Member Hansen disclosed that he spoke with Dale Gillespie about this matter prior to the meeting.

VOTE:

The above motion carried by the following vote:

Ayes: Council Members – Beckman, Hansen, Johnson, and Mounce

Noes: Council Members – Mayor Hitchcock

Absent: Council Members – None

- K-3 "Adopt resolution establishing Public Works Department engineering fees for various development services; amending Community Improvement fees for administrative procedures; and amending Planning fees to add pre-development review and hourly charges" was ***pulled from the agenda pursuant to the above vote.***
- K-4 "Adopt resolution authorizing the City Manager to execute professional services agreement with Fehr & Peers Transportation Consultants, of Walnut Creek, for preparation of Travel Demand Forecasting Model for General Plan Update and appropriating funds (\$160,000)" was ***pulled from the agenda pursuant to the above vote.***
- K-5 "Adopt resolution authorizing the City Manager to execute two agreements to prepare Environmental Impact Report amendments for the Lodi Shopping Center: one with Pacific Municipal Consultants for \$72,000 and one with Bay Area Economics for \$46,075" was ***pulled from the agenda pursuant to the above vote.***

- K-6 "Authorization to fill a previously 'frozen' Junior/Assistant/Associate Planner position in the Community Development Department" was ***pulled from the agenda pursuant to the above vote.***
- K-7 "Introduce ordinance imposing a Transactions and Use Tax to be administered by the State Board of Equalization and adding Chapter 3.09 to the Lodi Municipal Code, which shall be operative only IF two-thirds of the electors voting on the Fire & Facilities Sales Tax Measure (citizens initiative) vote to approve the imposition of the tax at the November 7, 2006, General Municipal Election" was ***pulled from the agenda pursuant to the above vote.***
- K-8 "Authorize the City Manager to execute fee adjustment agreement for Vintage Oaks Subdivision" was ***pulled from the agenda pursuant to the above vote.***

L. ADJOURN TO SPECIAL JOINT MEETING OF THE LODI CITY COUNCIL AND REDEVELOPMENT AGENCY

At 12:31 a.m., Thursday, April 20, 2006, Mayor Hitchcock adjourned the regular meeting of the City Council to a Special Joint meeting with the Redevelopment Agency NOTE: Refer to the Special Joint meeting with the Redevelopment Agency minutes of April 19, 2006).

The Regular City Council meeting reconvened at 12:43 a.m., Thursday, April 20, 2006.

M. ORDINANCES

- M-1 Following reading of the title of Ordinance No. 1772 entitled, "An Ordinance of the Lodi City Council Amending Chapter 13.20, 'Electrical Service,' by Amending Sections 13.20.175 Schedule MCA, 13.20.190 Schedule EA, 13.20.200 Schedule ED, 13.20.210 Schedule EM, 13.20.220 Schedule MR, 13.20.230 Schedule EL, 13.20.240 Schedule G1, 13.20.250 Schedule G2, 13.20.260 Schedule G3, 13.20.270 Schedule G4, 13.20.280 Schedule G5, and 13.20.310 Schedule I-1 Relating to Rate Schedules; Adding Section 13.20.235 Schedule ES (City Facilities Service); and Repealing Sections 13.20.202, 13.20.203, and 13.20.204," having been introduced at a regular meeting of the Lodi City Council held February 15, 2006, the City Council, on motion of Council Member Hansen, Johnson second, waived reading of the ordinance in full and adopted and ordered it to print by the following vote:
- Ayes: Council Members – Hansen, Johnson, and Mayor Hitchcock
Noes: Council Members – Beckman and Mounce
Absent: Council Members – None
Abstain: Council Members – None
- M-2 Following reading of the title of Ordinance No. 1777 entitled, "An Ordinance of the City Council of the City of Lodi Amending Lodi Municipal Code Title 1 – General Provisions – by Creating and Adding Chapter 1.10, 'Administrative Enforcement Provisions'," having been introduced at a regular meeting of the Lodi City Council held April 5, 2006, the City Council, on motion of Council Member Beckman, Johnson second, waived reading of the ordinance in full and adopted and ordered it to print by the following vote:
- Ayes: Council Members – Beckman, Hansen, Johnson, Mounce, and Mayor Hitchcock
Noes: Council Members – None
Absent: Council Members – None
Abstain: Council Members – None
- M-3 Following reading of the title of Ordinance No. 1778 entitled, "An Ordinance of the City Council of the City of Lodi Amending Lodi Municipal Code by Repealing Chapter 2.34, 'Administrative Procedures for Administrative Proceedings,' in Its Entirety; Repealing and Reenacting Section 3.01.460, Business Tax Certification – 'Enforcement'; Repealing and

Reenacting Section 10.56.020 (J), (K), and (L)-(1), Removal of Vehicles – 'Removal from Private Property'; Amending Building Code Section 15.04.060, 'Violation-Misdemeanor,' by Adding Section (C); Repealing and Reenacting Chapter 15.24, 'Housing Code,' Sections 15.24.30 – 15.24.70 and Sections 15.24.090 – 15.24.100; Repealing and Reenacting Sections 15.28.030, 15.28.070, 15.28.080, 15.28.090, 15.28.100, 15.28.120, and 15.28.140 Relating to the Abatement of Dangerous Buildings Code; Repealing Sections 15.30.040 – 15.30.220 and Reenacting Sections 15.30.040 – 15.30.060 Relating to Property Maintenance and the Designation of Certain Kinds of Nuisances; and Amending Chapter 15.31, 'Weed and Refuse Abatement,' by Adding Sections 15.31.150 – 15.31.170," having been introduced at a regular meeting of the Lodi City Council held April 5, 2006, the City Council, on motion of Council Member Beckman, Johnson second, waived reading of the ordinance in full and adopted and ordered it to print by the following vote:

Ayes: Council Members – Beckman, Hansen, Johnson, Mounce, and
Mayor Hitchcock

Noes: Council Members – None

Absent: Council Members – None

Abstain: Council Members – None

M. ADJOURNMENT

There being no further business to come before the City Council, the meeting was adjourned at 12:48 a.m., Thursday, April 20, 2006.

ATTEST:

Susan J. Blackston
City Clerk

**LODI CITY COUNCIL
SPECIAL JOINT CITY COUNCIL MEETING
WITH THE REDEVELOPMENT AGENCY
CARNEGIE FORUM, 305 WEST PINE STREET
WEDNESDAY, APRIL 19, 2006**

A. CALL TO ORDER / ROLL CALL

The Special Joint City Council meeting with the Redevelopment Agency of April 19, 2006, was called to order by Chairperson Hitchcock at 12:31 a.m., Thursday, April 20, 2006.

Present: Members – Beckman, Hansen, Johnson, Mounce, and Chairperson Hitchcock

Absent: Members – None

Also Present: City Manager King, City Attorney Schwabauer, and City Clerk Blackston

B. ORDINANCES

B-1 "Ordinance No. 1775 entitled, 'An Ordinance of the City Council of the City of Lodi Amending Title 15 – Buildings and Construction – of the Lodi Municipal Code by Adding Chapter 15.72 Relating to Eminent Domain'"

Council Member Mounce voiced concern that if a project area were adopted the state could override this ordinance and eminent domain could be included. She did not want to give citizens of the community a false impression that this ordinance would protect them when ultimately it may not.

City Attorney Schwabauer acknowledged that ordinances can be changed by future Councils. He believed this would be binding, however, proven by the fact that no governmental entity in California has ever restricted itself from using eminent domain and then later argued that it could.

MOTION / VOTE:

Following reading of the title of Ordinance No. 1775 entitled, "An Ordinance of the City Council of the City of Lodi Amending Title 15 – Buildings and Construction – of the Lodi Municipal Code by Adding Chapter 15.72 Relating to Eminent Domain," having been introduced at a Special Joint Meeting of the City Council and the Redevelopment Agency of the City of Lodi meeting of March 29, 2006, the City Council, on motion of Council Member Beckman, Hansen second, waived reading of the ordinance in full and adopted and ordered it to print by the following vote:

Ayes: Council Members – Beckman, Hansen, and Mounce

Noes: Council Members – Johnson and Mayor Hitchcock

Absent: Council Members – None

Abstain: Council Members – None

B-2 Following reading of the title of Ordinance No. 1776 entitled, "An Ordinance of the City Council of the City of Lodi Amending Title 2 – Administration and Personnel – of the Lodi Municipal Code by Adding Chapter 2.52.020 Relating to Eminent Domain," having been introduced at a Special Joint Meeting of the City Council and the Redevelopment Agency of the City of Lodi meeting of March 29, 2006, the City Council, on motion of Council Member Beckman, Hansen second, waived reading of the ordinance in full and adopted and ordered it to print by the following vote:

Ayes: Council Members – Beckman, Hansen, and Mounce

Noes: Council Members – Johnson and Mayor Hitchcock

Absent: Council Members – None

Abstain: Council Members – None

C. ADJOURNMENT

There being no further business to come before the Redevelopment Agency, the meeting was adjourned at 12:43 a.m., Thursday, April 20, 2006.

ATTEST:

Susan J. Blackston, City Clerk / Secretary
Redevelopment Agency

**LODI CITY COUNCIL
SPECIAL CITY COUNCIL MEETING
CARNEGIE FORUM, 305 WEST PINE STREET
WEDNESDAY, MAY 3, 2006**

A. CALL TO ORDER / ROLL CALL

The Special City Council meeting of May 3, 2006, was called to order by Mayor Hitchcock at 6:50 p.m.

Present: Council Members – Beckman, Hansen, Johnson, Mounce, and Mayor Hitchcock

Absent: Council Members – None

Also Present: City Manager King, Deputy City Attorney Magdich, and City Clerk Blackston

B. CLOSED SESSION

At 6:50 p.m., Mayor Hitchcock adjourned the Special City Council meeting to a Closed Session to discuss the following matter:

B-1 Actual litigation: Government Code §54956.9(a); one case; People of the State of California; and the City of Lodi, California v. M & P Investments, et al.; United States District Court, Eastern District of California, Case No. CIV-S-00-2441 FCD JFM

The Closed Session adjourned at 7:03 p.m.

C. RETURN TO OPEN SESSION / DISCLOSURE OF ACTION

At 7:08 p.m., Mayor Hitchcock reconvened the Special City Council meeting, and Deputy City Attorney Magdich disclosed that no reportable action took place in closed session.

D. ADJOURNMENT

There being no further business to come before the City Council, the meeting was adjourned at 7:08 p.m.

ATTEST:

Susan J. Blackston
City Clerk

**LODI CITY COUNCIL
REGULAR CITY COUNCIL MEETING
CARNEGIE FORUM, 305 WEST PINE STREET
WEDNESDAY, MAY 3, 2006**

A. CALL TO ORDER / ROLL CALL

The Regular City Council meeting of May 3, 2006, was called to order by Mayor Hitchcock at 7:08 p.m.

Present: Council Members – Beckman, Hansen, Johnson, Mounce, and Mayor Hitchcock

Absent: Council Members – None

Also Present: City Manager King, City Attorney Schwabauer, and City Clerk Blackston

B. INVOCATION

The invocation was given by Reverend David Hill, Grace Presbyterian Church.

C. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mayor Hitchcock.

D. AWARDS / PROCLAMATIONS / PRESENTATIONS

D-1 (a) Fire Chief Pretz presented the "Firefighter of the Year 2005" plaque to Firefighter Michael Alegre II.

D-2 (a) Mayor Hitchcock presented a proclamation to Mark Chandler, representing the Lodi-Woodbridge Winegrape Commission, proclaiming the month of May 2006 as "Zinfandel Month" in the City of Lodi.

D-2 (b) Mayor Hitchcock presented a proclamation to Darlene DeMarco, E.D., and Vanessa Garner, Executive Assistant, representing the American Lung Association, proclaiming the month of May 2006 as the American Lung Association's "Clean Air Month" in the City of Lodi.

D-2 (c) Mayor Hitchcock proclaimed the month of May 2006 as "Veteran Appreciation Month" in the City of Lodi. Representatives were unable to attend the meeting to accept the proclamation.

D-2 (d) Mayor Hitchcock presented a proclamation to Police Chief Adams proclaiming the month of May 2006 as "Peace Officer Memorial Month" in the City of Lodi.

D-2 (e) Mayor Hitchcock presented a proclamation to Wally Sandelin, City Engineer, proclaiming the week of May 21 – 27, 2006, as "National Public Works Week" in the City of Lodi.

D-3 (a) City Clerk Blackston gave an update on the Centennial activities being planned for 2006.

E. CONSENT CALENDAR

In accordance with the report and recommendation of the City Manager, Council, on motion of Council Member Beckman, Mounce second, unanimously approved the following items hereinafter set forth:

E-1 Claims were approved in the amount of \$2,223,745.24.

E-2 The minutes of February 28, 2006 (Shirtsleeve Session), March 14, 2006 (Shirtsleeve Session), March 14, 2006 (Special Joint Meeting w/Lodi Budget/Finance Committee), March 28, 2006 (Shirtsleeve Session), March 28, 2006 (Special Meeting), April 4, 2006 (Shirtsleeve Session), and April 5, 2006 (Regular Meeting) were approved as written.

- E-3 Authorized advertisement for bids for the sale of surplus overhead all aluminum conductor and related material.
- E-4 Adopted Resolution No. 2006-71 awarding the contract for Playground Improvements at Peterson Park "West" Playground, 199 Evergreen Drive, to A.M. Stephens Construction, of Lodi, in the amount of \$86,978.
- E-5 Adopted Resolution No. 2006-72 awarding the bid for the purchase of White Slough Water Pollution Control Facility telephone system replacement from AT&T (SBC), of Stockton, under the terms of the State of California CALNET contract in the amount of \$44,000.
- E-6 Adopted Resolution No. 2006-73 approving pedestrian safety improvements on Lockeford Street at Orange Avenue and on Ham Lane at Kirkwood Drive with funds provided by the Lodi Unified School District for the benefit of Washington and Lakewood Elementary Schools.
- E-7 Accepted improvements under "Lockeford Street Water Main (Church Street to Sacramento Street) and Olive Court Water Main Replacement (Pleasant Avenue to Church Street) Project" contract.
- E-8 Adopted Resolution No. 2006-74 authorizing the City Manager to execute Contract Change Order with Western Water Constructors, Inc., of Santa Rosa, for payment of services for work associated with emergency repair of 48-inch domestic sewer outfall pipe at White Slough Water Pollution Control Facility and appropriating \$88,000.
- E-9 Adopted Resolution No. 2006-75 approving improvement deferral agreement for 1243 East Harney Lane and authorizing the City Manager and City Clerk to execute the agreement on behalf of the City.
- E-10 Adopted Resolution No. 2006-76 approving the master lease agreement between the City of Lodi and Lodi Grape Festival and National Wine Show Association for use of various festival ground facilities that will serve both indoor and outdoor recreational programs, which will run for the period July 1, 2006 to June 30, 2011, at a lease rate of \$20,000 per year.
- E-11 Adopted Resolution No. 2006-77 authorizing transfer of \$202,200 in Community Development Block Grant funds from project 02-07 Housing Assistance Programs to project 05-02 LOEL Senior Housing Acquisition Project.
- E-12 Re-set public hearing for June 7, 2006, to consider adopting resolution implementing previously authorized Consumer Price Index-based water and wastewater rates.

F. COMMENTS BY THE PUBLIC ON NON-AGENDA ITEMS

- Mary Hoff stated that property owners surrounding the proposed Delta College satellite campus site on east Victor Road were shocked to read about it in the newspaper with no forewarning. The land has always been zoned AG-40. The levee recently broke near the proposed campus site and half of the 168 acres is underwater. The river is wildlife sanctuary and yet they are planning on putting a police academy and shooting range in the area. She requested that this matter be placed on a future agenda so that residents can express their concerns.

Mayor Hitchcock explained that the satellite campus project is only in an exploration stage at this point and that the appropriate body for concerned residents to address would be the Delta College Board of Trustees, as the City of Lodi does not have any authority or jurisdiction over the matter.

Council Member Hansen stated that an Environmental Impact Report would be done on the project and public input would be sought at that time.

- Sandy Marchland expressed concern about the increased traffic, crime, etc. that this project would bring to the area. She asked Council to consider other options that would not have such a huge impact on the condensed amount of people in a small area.
- Lori Ferdun pointed out that the area for the proposed college campus has grape vineyards that would have to be torn out. Ms. Ferdun's property was in the middle of the proposed site. She urged Council to consider Armstrong Road or property at White Slough instead. She read in The Record newspaper that Council Member Hansen stated her family was posturing for more money, which Ms. Ferdun stated was untrue and asserted that there was no amount of money that Delta could offer her to move as they could not replace her home or environment. She felt that the property owners should have been made aware of the proposal before it was published in the newspaper. She asked that the matter be scheduled on a future agenda and that Delta College representatives be in attendance.
- Terry Fena commented that the project hinges on the annexation of the property into the City of Lodi and it providing services. Delta College has addressed the Council on the matter. Council Members Hansen and Johnson serve on the Delta College Task Force and have expressed their willingness to support the project. For this reason, he felt that they should abstain from further City business regarding the matter due to a conflict of interest. He asked that the matter be placed on a future agenda and that residents be notified in advance of any future proposed action between the City and Delta College.

Mayor Hitchcock explained that no property will be annexed until the owners request it. The selection of the property will be Delta College's decision. Delta College will be going through a due diligence period for the next six months and holding public meetings. If the project proceeds, it will eventually be brought back to the City Council.

- Ann Cerney pointed out that there had been an investment of City personnel into this issue and she supported the request of property owners to be heard when the matter comes before Council.
- Kathy Grant invited Council and the public to attend the Lower Mokelumne River Stewardship Committee open house on May 10.
- Ray Golub stated that his property is adjacent to and has been impacted by the Lower Sacramento Road widening project. He submitted 27 pages of information and photos (filed).

G. COMMENTS BY CITY COUNCIL MEMBERS ON NON-AGENDA ITEMS

- Council Member Hansen reported that he attended a conference in Washington D.C., April 23 to 26, sponsored by the Northern California Power Agency and Northwestern Public Power Agency. Meeting topics included:
 - 1) The California Information Systems Operation and the fact that it does not address issues related to municipal utilities;
 - 2) The Central Valley Project, which is a series of dams from which the City receives some of its electricity. Congress was to review and eliminate some of the environmental acts and regulations that were enacted in 1970; however, it has failed to do so. The cost of the restrictions amount to \$70 million, and it is hoped to get them reduced to \$50 million;
 - 3) Security issues related to dams, of which the cost would be passed on to municipal- and investor-owned utilities. It is desired that dams be identified that are deemed to be essential facilities.
- Council Member Mounce stated that she recently asked Central Valley Waste Services (CVWS) to address the issue of garbage in alleys. CVWS sends letters to property owners who are creating problems; however, many are absentee owners so nothing is accomplished. Drivers take photos of garage left on sidewalks, curbs, and alleys, and Ms. Mounce suggested

that a partnership be created between CVWS and the Code Enforcement Division of the Community Development Department. She asked that a Shirtsleeve Session be scheduled to discuss the matter. She recalled previously requesting that a policy be developed to address catering trucks and unlicensed vendors. She thanked the students of Vineyard Christian Middle School who sent letters promising to work with the neighbors surrounding the school.

- Mayor Pro Tempore Johnson reported that he and City Manager King attended the quarterly dinner meeting of the Central Valley Division of the League of California Cities. He encouraged all Council Members to get involved with the League on a local level as there is a vast wealth of knowledge within the group.
- Council Member Beckman stated that the San Joaquin Council of Governments (SJCOC) is preparing a summary of the One Voice trip to Washington D.C. and, when completed, he will present the report to Council.
- Mayor Hitchcock reported that she recently participated in a SJCOC meeting, at which a unanimous vote in support of Measure K (half cent sales tax dedicated to transportation) took place.

H. COMMENTS BY THE CITY MANAGER ON NON-AGENDA ITEMS

None.

I. PUBLIC HEARINGS

None.

J. COMMUNICATIONS

J-1 Claims filed against the City of Lodi – None

J-2 The following postings/appointments were made:

- a) The City Council, on motion of Council Member Beckman, Mounce second, unanimously directed the City Clerk to post for the following vacancy:

Lodi Animal Shelter Task Force

Barbara Steinheimer Unspecified term limit

J-3 Miscellaneous – None

K. REGULAR CALENDAR

K-1 “Adopt resolution amending Public Works Department engineering fees for various development services; amending Community Improvement fees for administrative procedures; and amending Planning fees to add pre-development review and hourly charges”

Community Development Director Hatch explained that, in an effort to recover costs for Public Works services in its Engineering Division, staff is recommending that engineering fees be amended for annexation, development plan review, tentative and parcel map review, condominium conversion review, and site and architectural plan and building permit review. Public Works conducted an analysis of the personnel time and associated costs with regard to the review of applications and proposals. The proposed fee schedule is listed on Exhibit B of the staff report (filed). The rate was based upon the average application review time. It is a “fully loaded” time that includes salary, benefits, and proportionate hourly share of overhead associated with the engineering function. Exhibit D (filed) shows the fully loaded hourly rate for Public Works staff. Staff recommends that a time and material charge be imposed on larger projects. The flat fee would be used on standard projects; however, time would be recorded and charged for projects that involve extensive

environmental review or analysis of subdivision maps, annexations, etc. Community Development fees are listed on Exhibits E, F, and G (filed). Community Development will track time for larger projects and bill in addition to the set fee. There are two new additions and procedures proposed: 1) predevelopment review in which staff would meet with an interested party, perform an initial evaluation, conduct a fatal flaw analysis of the proposal, and provide initial recommendations, and 2) a new fee is proposed for non-residential condominium conversion.

Council Member Hansen noted that Exhibit B states, "These fees shall be adjusted annually by inflation based on the Consumer Price Index (CPI)."

Mr. Hatch explained that the resolution states that the engineering fees will be subject to an annual adjustment; however, it does not include planning or community improvement fees. When there is a change in the salary structure, staff will reflect the change in the hourly rates and return to Council for approval.

Wally Sandelin, City Engineer, stated that there is a cutoff on residential projects at 75 units, which is about 15 acres. Staff will continue to monitor time and cost to ensure the CPI increase is adequate.

Mayor Hitchcock emphasized the importance of full cost recovery because these services are for the benefit of profit making individuals and organizations.

Mr. Hatch replied that staff is committed to having the fees be the true and actual cost of processing development applications.

In response to Mayor Pro Tempore Johnson, Mr. Hatch explained that simple projects such as a home occupation do not have an hourly rate added to them. Most minor improvements do not go before the Site Plan and Architectural Review Committee. The fees are to cover actual costs; there is no provision to make a profit as is seen with consultant fees.

PUBLIC COMMENTS:

- Ann Cerney hoped that when fees are paid for predevelopment review, it becomes public information, to which Mr. Hatch confirmed that it would.

MOTION/ VOTE:

The City Council, on motion of Council Member Beckman, Hansen second, unanimously adopted Resolution No. 2006-78 amending Public Works Department engineering fees for various development services; amending Community Improvement fees for administrative procedures; and amending Planning fees to add pre-development review and hourly charges.

RECESS

At 8:50 p.m., Mayor Hitchcock called for a recess, and the City Council meeting reconvened at 9:00 p.m.

K. REGULAR CALENDAR (Continued)

- K-2 "Adopt resolution authorizing the City Manager to execute professional services agreement with Fehr & Peers Transportation Consultants, of Walnut Creek, for preparation of Travel Demand Forecasting Model for General Plan update and appropriating funds (\$160,000)"

Wally Sandelin, City Engineer, reported that the last traffic model was prepared in 1990 in conjunction with the current general plan. Staff is requesting that Council approve preparation of a new model for existing conditions with the intent to accelerate the general plan process.

In response to questions posed by Mayor Hitchcock, Community Development Director Hatch explained that staff compiled a list of requirements for the general plan update, which was mailed to 24 consultant firms. In the responses, there were two traffic engineers that virtually all the consultants used. The seven responses to the Request for Qualifications that were received were reviewed by staff, and three firms were selected that were most responsive. Each of the three firms listed Fehr & Peers Transportation Consultants. By taking the recommended action under this item, fiscal efficiency will be achieved by not paying a 10% to 15% markup for the master consultant to work with the traffic engineer.

MOTION / VOTE:

The City Council, on motion of Council Member Hansen, Beckman second, unanimously adopted Resolution No. 2006-79 authorizing the City Manager to execute professional services agreement with Fehr & Peers Transportation Consultants, of Walnut Creek, for preparation of Travel Demand Forecasting Model for General Plan update and appropriating funds in the amount of \$160,000.

NOTE: The following item was discussed out of order.

- K-7 "Adopt resolution approving artwork for elevated water tank and appropriating funds for artwork application (\$30,000)"

Public Works Director Prima reported that Council previously authorized staff to work with the Public Art Advisory Board to solicit proposals for an artwork project on the water tank. Originally, the artist proposed to use applied vinyl; however, there were concerns of longevity. Paint will last approximately 15 years and cost \$46,000 for the public art portion of the project. The entire water tank will be painted at a cost of \$49,000, which will be deducted from the Water Fund. The project will be completed this summer.

Council Member Hansen asked that "incorporated 1906" be large enough so it is clearly visible.

MOTION:

Council Member Mounce made a motion, Beckman second, to adopt Resolution No. 2006-80 approving artwork for elevated water tank and appropriating funds in the amount of \$46,000 for artwork application.

DISCUSSION:

Mayor Hitchcock stated that she would support the proposal only because it is the City's Centennial year. She expressed concern due to the high cost of the project. She recalled that when the Public Art Policy was created, the 2% was not funded, so it takes money for which impact fees were contributed.

PUBLIC COMMENTS:

- Sara Costa stated that she sent letters to every Mayor over the past seven years, hoping to generate interest in this project. She thanked Council Member Beckman for responding last year and thanked Council for its support.

Mr. Prima confirmed that when the Public Art Policy was originally adopted the decision was to take 2% out of impact fees for the Art Fund. The money is transferred, so there is now a separate fund for the art program. When staff brought forward the sewer fees earlier this year, the art piece was separated out and voted on as a surcharge. Staff will be coming back to Council on the remaining seven impact fees.

- Ray Golub mentioned that during the summer of 2000 he crossed the United States on a bicycle, riding a total of 4,300 miles. In every town he headed to, his inspiration was looking at the water towers, as they exemplified home and a place to rest and be welcomed. He stated that Sign Tech, a company in Sacramento, does the vinyl application of artwork.

VOTE:

The above motion carried by a unanimous vote.

- K-3 “Adopt resolution complying with the order of the San Joaquin County Superior Court dated February 10, 2006, to vacate approval of the resolutions regarding the Lodi Shopping Center: a) certification of Environmental Impact Report 03-01 (SC#2003042113); b) approval of Use Permit U-02-12; and c) approval of Tentative Parcel Map 03-P-001; and adopt resolution authorizing the City Manager to execute two agreements to prepare Environmental Impact Report amendments for the Lodi Shopping Center: one with Pacific Municipal Consultants for \$72,000 and one with Bay Area Economics for \$46,075”

Community Development Director Hatch recalled that the Planning Commission and Council evaluated and certified the Environmental Impact Report (EIR) and approved a use permit for the Lodi Shopping Center project, which includes a Super Wal-Mart store. The City's approvals, specifically the certification of the EIR, were challenged in Superior Court, and on December 19, 2005, the court found the EIR to be deficient. On February 10, 2006, the City was ordered to vacate the approvals. Two resolutions are presented to Council for adoption: 1) to vacate the approvals and comply with the court order, and 2) authorize the City Manager to enter into agreements to prepare the updated and revised EIR.

NOTE: Council Member Beckman recused himself due to a conflict of interest regarding the Wal-Mart project and vacated his seat at the dais at 9:34 p.m.

Bert Verrips, Project Manager for Pacific Municipal Consultants (PMC), acknowledged that his firm was involved in preparing the original EIR. A downtown study was prepared prior to PMC being hired; however, they used the study in the EIR. Bay Area Economics will prepare the economic impacts analysis needed due to the Court's decision.

Mayor Hitchcock expressed concern about the two-month timeframe to complete the economic impact analysis.

Mr. Hatch assured Ms. Hitchcock that staff also wants a thorough and complete analysis that can withstand additional litigation.

Mr. Verrips explained that an economic impact analysis normally take two months to complete if there is adequate staff devoted to it. The EIR process is, essentially, being started over again. The California Environmental Quality Act process involves many reviews and takes a minimum of nine months to complete in the best of circumstances.

PUBLIC COMMENTS:

- Ann Cerney spoke on her behalf as well as Citizens for Open Government and stated that the City should start from scratch and prepare a complete EIR.

MOTION #1 / VOTE:

The City Council, on motion of Council Member Hansen, Johnson second, adopted Resolution No. 2006-81 complying with the order of the San Joaquin County Superior Court dated February 10, 2006, to vacate approval of the resolutions regarding the Lodi Shopping Center: a) certification of Environmental Impact Report 03-01 (SC#2003042113); b) approval

of Use Permit U02-12; and c) approval of Tentative Parcel Map 03-P-001. The motion carried by the following vote:

Ayes: Council Members – Hansen, Johnson, Mounce, and Mayor Hitchcock
Noes: Council Members – None
Absent: Council Members – None
Abstain: Council Members – Beckman

MOTION #2 / VOTE:

The City Council, on motion of Council Member Hansen, Johnson second, adopted Resolution No. 2006-82 authorizing the City Manager to execute two agreements to prepare Environmental Impact Report amendments for the Lodi Shopping Center: one with Pacific Municipal Consultants for \$72,000 and one with Bay Area Economics for \$46,075. The motion carried by the following vote:

Ayes: Council Members – Hansen, Johnson, Mounce, and Mayor Hitchcock
Noes: Council Members – None
Absent: Council Members – None
Abstain: Council Members – Beckman

NOTE: Council Member Beckman returned to the dais at 9:49 p.m.

- K-4 “Authorization to fill a previously ‘frozen’ Junior/Assistant/Associate Planner position in the Community Development Department”

City Manager King reported that there were four planner positions in the Community Development Department: City Planner, Planner Manager/Senior Planner; and two planners at either the junior, assistant, or associate planner level. There are two planner position vacancies and enough money in the budget to fill both positions. Staff is currently engaged in a recruitment to fill the positions.

MOTION:

Council Member Beckman made a motion, Johnson second, to authorize the City Manager to fill a previously “frozen” Junior/Assistant/Associate Planner position in the Community Development Department.

DISCUSSION:

Council Member Mounce pointed out that if there was a backlog of work then the community would grow slower, which she was in favor of.

VOTE:

The motion carried by the following vote:

Ayes: Council Members – Beckman, Hansen, Johnson, and Mayor Hitchcock
Noes: Council Members – Mounce
Absent: Council Members – None

- K-5 “Authorize the City Manager to execute fee adjustment agreement for Vintage Oaks Subdivision” was ***pulled from the agenda pursuant to the request of the applicant.***

- K-6 “Authorize the City Manager and City Attorney to enter into negotiations with San Joaquin County for provision of domestic wastewater treatment services for County Service Area 31 (Flag City) and proceed on necessary studies”

Public Works Director Prima reported that the County has again returned to the City and asked for serious consideration of connecting the Flag City development to the City’s wastewater treatment plant. To do so would require an amendment to the Municipal Code. Staff is asking Council for authorization to enter into negotiations with the County. The cost

of evaluating the impacts would be borne by the County. He reviewed points to address in the agreement as was outlined in the staff report (filed). Depending on the actual flow and strength, the surcharge revenue to the General Fund would be approximately \$100,000 per year.

Deputy City Attorney Magdich referenced Dateline Builders v. Santa Rosa, in which the court determined that the city could decide not to provide sewer service to a particular builder because it did not comport with the plan. She mentioned that this may be an opportunity for the City to consider the corridor between Lodi and Interstate 5. It is within the City's police power to use this means (in terms of sewer service) for planning and growth.

City Manager King acknowledged that one of the major benefits in providing sewer service would be the ability to control the area. Issues to discuss with the County include the regional presence that is undercutting the tax base in Lodi, the two hotels in Flag City are not paying the 3% Lodi Tourism Business Improvement District assessment, and yet they are benefiting from it.

In reply to Mayor Pro Tempore Johnson, Mr. King explained that the County could consider expanding the area to improve the economies of scale or to get domestic wastewater service from Lodi or Stockton for County Service Area 31.

PUBLIC COMMENTS:

- Tom Flinn, San Joaquin County Public Works Director, recalled that when Flag City was first developed it was authorized to discharge to the Delta. That ability is being eliminated over time. Flag City is three quarters built out at this time. He noted that it is the gateway to Lodi and by working cooperatively its appearance could be improved, which would benefit both parties. He estimated the cost of sewer treatment plant upgrades as required by the state to be \$10 million to \$12 million.

Council Member Hansen expressed an interest in exploring the issue of the corridor from Highway 12 at Lower Sacramento Road west to Interstate 5.

Council Member Beckman suggested that the additional effluent be used to irrigate landscaping and further enhance the aesthetic quality of the area.

Mayor Pro Tempore Johnson asked whether the seven mile sewer line would be discussed during negotiations, to which Mr. King replied that he would rather focus initially only on Flag City and if possible would get a broader understanding.

- Ann Cerney felt the City was placing a lot of weight on what could be accomplished in regard to control of the area, based on the limited legal authority of just one case. She saw a trend of matters coming to the Council that have a distinct land use character; however, they were not previously reviewed or discussed by the Planning Commission, and the California Environmental Quality Review has not been discussed at all.

MOTION / VOTE:

The City Council, on motion of Council Member Hansen, Beckman second, unanimously authorized the City Manager and City Attorney to enter into negotiations with San Joaquin County for provision of domestic wastewater treatment services for County Service Area 31 (Flag City), proceed on necessary studies, and return to Council with a response by July 31, 2006.

- K-8 "Adopt resolution authorizing the City Manager to cancel the original plan of reconstructing Killelea Substation and installing two 60kV power circuit breakers at Industrial Substation; to implement the scaled-back rehabilitation project of Killelea Substation; to have Power Engineers, Inc., of Hailey, ID, re-scope, re-engineer, and re-design the scaled-back project; and to negotiate its construction with Rosendin Electric, Inc., of San Jose, CA (\$3,479,110)"

Electric Utility Director Morrow recalled that Council had previously approved the demolition and reconstruction of the existing Killelea substation. On December 21, a contract with Rosendin Electric was approved. Mr. Morrow stated that a scaled-back rehabilitation of the substation could save \$3 million and achieve 85% to 90% of the benefits. Redesign and renegotiation of the contract would need to be accomplished as well as returning to Council with the amended contract. He estimated that the project could be complete by summer 2007. He stated that there are currently no reliability issues or problems at the Killelea substation. It is an old substation, and spare parts for the electronics are becoming more difficult to acquire. The scaled-back proposal will include complete replacement of all the electronics, as well as state of the art switchgear and communication devices. The transformers and 60 Kv breakers could easily be added later as necessary. The transformers are relatively lowly loaded and there is no new capacity being added to the substation. He believed the scaled-back rehabilitation would be adequate for the next 10 to 15 years.

In reply to Council Member Mounce, Mr. Morrow stated that aesthetically it will look like a new substation. Some of the overhead equipment will be put inside a control building.

Deputy City Attorney Magdich confirmed that it would be necessary to remove a vacant house. She initiated negotiations with the property owner's attorney and an assessment has been done on the property. The next step in the process will be to have an updated appraisal done.

MOTION / VOTE:

The City Council, on motion of Council Member Hansen, Mounce second, unanimously adopted Resolution No. 2006-83 authorizing the City Manager to cancel the original plan of reconstructing Killelea Substation and installing two 60kV power circuit breakers at Industrial Substation; to implement the scaled-back rehabilitation project of Killelea Substation; to have Power Engineers, Inc., of Hailey, ID, re-scope, re-engineer, and re-design the scaled-back project; and to negotiate its construction with Rosendin Electric, Inc., of San Jose, CA, in the amount of \$3,479,110.

VOTE TO CONTINUE WITH THE REMAINDER OF THE MEETING

The City Council, on motion of Mayor Pro Tempore Johnson, Hansen second, unanimously voted to continue with the remainder of the meeting following the 11:00 p.m. hour.

K. REGULAR CALENDAR (Continued)

K-9 "Receive information regarding transfer of funds to the Electric Utility Capital Outlay Fund 161 (\$2,000,000)"

City Manager King recalled that in 1999 when the Electric Utility capital bond was approved the official statement had a long list of capital expenditures on which the money could be spent. When the Council entered into the indenture, it authorized the expenditure of the bond proceeds on those items. He reported that in the absence of any extraordinary infusion of cash, the cash balance at the end of this fiscal year will be insufficient to provide coverage for the obligation of the debt service. Staff will be using \$1,485,000 to \$2 million of bond proceeds to offset the cost of capital projects that are contained in the 2005-06 budget.

In reply to Mayor Hitchcock, Electric Utility Director Morrow stated that next year the Utility will have 12 months of rate increase revenue and there will be a slight decrease in the projections of power costs. He believed it would not be necessary next year to use bond proceeds for operating expenses.

MOTION / VOTE:

There was no Council action taken on this matter.

- K-10 "Adopt resolution authorizing the City Manager to execute Task Order with Treadwell & Rollo for PCE Central Plume Remediation Phase I Dual Phase (Soil Vapor and Groundwater) Extraction Project (\$302,000) and revising hourly rates"

Public Works Director Prima described the dual phase (soil vapor and groundwater) extraction process. Treadwell & Rollo believes that the cleanup can be done at a lower cost by doing a series of these types of wells in the central plume source area. The proposed scope of work includes design and installation of one such well to verify the design criteria and cost estimates prior to installing a full system. In addition, Treadwell & Rollo has requested that the master agreement, first entered into in 2004, be revised to update some of the hourly rates.

MOTION / VOTE:

The City Council, on motion of Mayor Hitchcock, Mounce second, unanimously adopted Resolution No. 2006-84 authorizing the City Manager to execute Task Order with Treadwell & Rollo for PCE Central Plume Remediation Phase I Dual Phase (Soil Vapor and Groundwater) Extraction Project (\$302,000) and revising hourly rates.

L. ORDINANCES

None.

M. ADJOURNMENT

There being no further business to come before the City Council, the meeting was adjourned at 11:14 p.m.

ATTEST:

Susan J. Blackston
City Clerk

**CITY OF LODI
INFORMAL INFORMATIONAL MEETING
"SHIRTSLEEVE" SESSION
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, MAY 9, 2006**

An Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was held Tuesday, May 9, 2006, commencing at 7:03 a.m.

A. ROLL CALL

Present: Council Members – Beckman, Hansen, Johnson, Mounce, and Mayor Hitchcock
(arrived at 7:05 a.m.)

Absent: Council Members – None

Also Present: City Manager King, Deputy City Attorney Magdich, and Deputy City Clerk Perrin

B. TOPIC(S)

B-1 "Alternatives to Social Security for part-time, seasonal, and temporary employees"

Deputy City Manager Krueger reported that part-time employees are enrolled in Social Security, which is a defined benefit plan. There are long-term issues associated with the Social Security system as to whether or not there will be adequate funding available upon retirement. Staff recently received a presentation from a bank that offers an alternative plan to Social Security for part-time employees. Presently, the employer's contribution is 6.2% into Social Security. Under this alternative plan, the City could save up to the entire contribution amount.

The Internal Revenue Code allows for governmental agencies to make contributions on behalf of part-time employees into this type of plan, which is categorized as a defined contribution plan. In this type of system, the City of Lodi's only financial obligation is that it make a pre-determined contribution on behalf of the employee. Future costs and employer rates continue to increase in the Public Employees Retirement System (PERS) and Social Security; however, this plan would fix the cost to the employer.

Mr. Krueger provided examples that compared a 1.3% employer contribution savings and a 6.2% savings, explaining that the City can go as little or high, depending on how much savings it would like to generate. Agencies within San Joaquin County and the adjoining area have used this type of plan, and the savings vary (i.e. some have used the entire amount of the Social Security savings from the employer; others have not).

City Manager King added that Social Security requires a total contribution of 12.5%, which is split between the employer and employee. In this proposal, the employee's contribution would remain the same; however, the City could decide how much of the additional employer split it would assume, which is where the City would realize savings.

In response to Council Member Hansen, Mr. Krueger stated that this would apply to all part-time employees, of which there are 334 with a total payroll cost in this current fiscal year of \$1.1 million. Of that amount, the Social Security contribution is \$70,400. Under the alternative plan if the employer made a 1.3% contribution, the City would save \$52,000. Over the course of ten years, the savings would amount to \$568,000. Mr. Krueger demonstrated that the benefit to the employee would be greater net pay, as the employee contribution would be deducted before taxes. If the City chose to realize the full savings (zero contribution), it would save \$70,400 a year, or \$737,000 over the course of ten years, which could be applied toward other elements of the City's finances. In the second scenario, the employee would pay a full contribution of 7.5% and would still benefit with a higher net paycheck.

City Manager King stated that the advantage to the City is that it can choose how much of the 6.2% contribution it wishes to make. The contribution is the employee's money, unlike with Social Security where one must contribute over a specific period of time and receive money based upon a formula. When an employee separates employment, they have the option to roll it over to another qualified retirement plan or take it in a lump sum.

In response to Council Member Hansen, Mr. Krueger replied that this particular plan was not presented to the Lodi Finance/Budget Committee. Mr. Hansen expressed support for the plan, but stated that he does not want to "pull the rug" out from under current part-time employees, particularly those that have worked for the City for many years.

Mr. Krueger clarified that the requirement under Social Security is that one must work 40 quarters of credit before vesting.

Mayor Pro Tempore Johnson stated that a majority of the part-time employees are short-term or seasonal and do not typically go to work for another governmental agency, and the benefit is they vest quicker by working for the City under the Social Security system. On the other hand, there are long-term, part-time employees who would benefit from this type of plan. Mr. Johnson noted that there needs to be a balance in this plan.

City Manager King stated that, before any action is taken, staff would further analyze this, as there are three types of part-time employees: 1) those that have worked for ten years within the Social Security system that are fully vested (this would become an extra benefit); 2) those that currently work for the City who are close to vesting in Social Security; and 3) those seasonal employees at the beginning of their career, who are not concerned with retirement. This program would allow the City to set up rules and define when vesting occurred.

Council Member Hansen stated that 401-K plans have the potential to lose money, depending on how it is invested, to which Mr. King stated that the employer could establish that its contribution would be invested only in a guaranteed investment vehicle, which implies that it will have a rate of return.

Mr. Krueger outlined that Council would need to adopt a resolution and approve a trust agreement and plan document with an institution to implement and administer the plan. Staff would prepare a request for proposals and obtain qualifications from various agents. The plan document would outline the vesting, when one can retire, what happens to the money, how it can be invested, etc. There is a cost associated with administering the fund, and there are several banks that do this type of administration.

City Manager King stated that a guaranteed benefit could include certificates of deposits, items that could be insured, or some stable form of investment tool. There is competition for trust administrators, and the City has been approached by a number of companies. Each one has services it provides to the employer and the employee, and some have a wider range of investment options for the employees. The City is under no obligation to implement this plan as it currently pays into Social Security, which has been incorporated into the budget. This represents an option to reduce costs and still maintain a benefit for the employees.

Mayor Hitchcock requested that Council be provided with the makeup of the 334 part-time employees (i.e. is it mostly seasonal employees, long-time employees, etc.). Social Security was created to assist people with their retirement needs because people were not planning for their future. She expressed concern that, if the City no longer participated in that system and offered an alternative that gave people more flexibility with their money, people may not act responsibly. The guidelines on this are not the same as PERS, which restricts when money can be taken out.

Council Member Beckman supported the concept, but stated that he would like to further explore a 1.3% or 2% City contribution and a secure form of investment for the City's contribution; thereby, allowing the employee to have the option of going with a more risky investment with their contribution.

Council Member Hansen requested that staff explore the possibility of a two-tiered system so that employees hired from this point forward would be on this alternative plan, which would still generate a significant savings to the City.

Mayor Pro Tempore Johnson stated that he does not want the City to get encumbered in investment options for 334 employees and that it instead be the employee's responsibility.

PUBLIC COMMENTS:

- Cory Wadlow, Senior Accountant, clarified that federal law requires the percentage be 7.5%. Ms. Wadlow encouraged Council to ensure part-time employees receive a retirement benefit, whether it be Social Security, PERS, or some other plan, as she recalled the beginning of her career as a part-time employee with the City when she received no retirement benefit at all.

C. COMMENTS BY THE PUBLIC ON NON-AGENDA ITEMS

None.

D. ADJOURNMENT

No action was taken by the City Council. The meeting was adjourned at 8:06 a.m.

ATTEST:

Jennifer M. Perrin
Deputy City Clerk

**LODI CITY COUNCIL
SPECIAL JOINT CITY COUNCIL MEETING
WITH THE LODI ARTS COMMISSION
125 S. HUTCHINS STREET, LODI
TUESDAY, MAY 16, 2006**

A. CALL TO ORDER / ROLL CALL

The Special Joint City Council meeting with the Lodi Arts Commission of May 16, 2006, was called to order at 6:00 p.m.

Present: Council Members – Beckman, Hansen, Johnson, and Mayor Hitchcock

Absent: Council Members – Mounce

Present: Lodi Arts Commissioners – Bader, Buchler, Burgess, Carey, Clemons, Gillier, Heinitz, Heinitz, Inman, Lawson, and Chairman Callahan

Absent: Lodi Arts Commissioners – Stockar

Also Present: City Manager King, Deputy City Attorney Magdich, and Deputy City Clerk Taylor

B. TOPIC(S)

B-1 "Discussion of items of mutual concern"

Laura Heinitz, member of the Lodi Arts Commission, gave a presentation focusing on the benefits of art programs in the community. She reported that in Lodi the non-profit arts are at least a \$3.8 million industry (filed). She shared that the mission of the Lodi Arts Commission is "to advance the arts in Lodi by partnering with the entire community to provide quality programs and events that foster creative expression." The vision of the Lodi Arts Commission is to "envision unlimited opportunities and resources available to further the arts so that access to participation by all community members is not hindered by economic, social, or cultural barriers. Through the arts, our local economy and culture is invigorated for the benefit of our collective future." Goals for the Commission in 2006-07 include:

- Assist with sponsorship for Arts Directory publication.
- Stabilization of local arts organizations by adopting art groups to mentor through 501c3 process.
- Maintain current programs.
- Collaborate with the Lodi Arts Project Fund to promote new projects to be more accessible to the whole of the Lodi community.

Ms. Heinitz reported that revenue for arts classes in 2004-05 was \$108,000, and in 2005-06 it is projected at \$130,000. Grant funding in 2004-05 was \$50,000, and in 2005-06 grant awards totaled \$30,010. She recommended the following 2006-07 grant awards totaling \$36,230:

➤ Changing Faces Theatre Company	\$10,000
➤ Lodi Community Art Center Art Hop	\$ 2,080
➤ Lodi Community Art Center Youth Project	\$ 8,450
➤ Lodi Theatre for Youth	\$13,700
➤ Lodi Children's Chorus	\$ 2,000

Cynthia Inman, member of the Arts Commission, shared that last winter her teenage son, Jacob Inman, expressed concern about the long-term support of the victims of Hurricanes Rita and Katrina. As an artist and musician, he devised a plan to host a concert featuring local vocalists and approached the Lodi Arts Commission for support. Three months later, he had organized the venue, performers, sponsors, musicians, food and beverage vendors, and was able to sell more than 400 tickets to his sold out event. Jacob Inman earned \$8,000, which was donated to the American Red Cross for the Hurricane Relief Fund.

Robert Krantz, Theater Technician and Instructor, introduced 13-year-old Ivan Rodriguez, a student in his Arts Commission-sponsored course, which is designed to get youth involved in the theater at Hutchins Street Square. Mr. Krantz stated that Ivan's interest lies in working behind the scenes in the theatrical arts; although, he has agreed to perform on stage for a last-minute production to help out his fellow students. His parents shared that Ivan has improved his performance in school and is a happier boy who is willing to try new things and develop new skills as a direct result of his participation in the theater program. Mr. and Mrs. Rodriguez thanked the Arts Commission and the City Council for making such programs available for their son and other community children.

C. ADJOURNMENT

There being no further business to come before the City Council, the meeting was adjourned at 7:50 p.m.

ATTEST:

Jacqueline L. Taylor
Deputy City Clerk

**LODI CITY COUNCIL
REGULAR CITY COUNCIL MEETING
CARNEGIE FORUM, 305 WEST PINE STREET
WEDNESDAY, MAY 17, 2006**

C-1 CALL TO ORDER / ROLL CALL

The City Council Closed Session meeting of May 17, 2006, was called to order by Mayor Hitchcock at 6:05 p.m.

Present: Council Members – Beckman, Hansen, Johnson, Mounce, and Mayor Hitchcock

Absent: Council Members – None

Also Present: City Manager King, City Attorney Schwabauer, and City Clerk Blackston

C-2 ANNOUNCEMENT OF CLOSED SESSION

a) Public Employment – Council Appointee – job title, City Clerk; pursuant to Government Code §54957

b) Conference with legal counsel – anticipated litigation – significant exposure to litigation pursuant to subdivision (b) of Section 54956.9; one case; pursuant to Government Code §54956.9(b)(3)(A) facts, due to not being known to potential plaintiffs, shall not be disclosed

C-3 ADJOURN TO CLOSED SESSION

At 6:05 p.m., Mayor Hitchcock adjourned the meeting to a Closed Session to discuss the above matters.

The Closed Session adjourned at 7:02 p.m.

C-4 RETURN TO OPEN SESSION / DISCLOSURE OF ACTION

At 7:02 p.m., Mayor Hitchcock reconvened the City Council meeting, and City Attorney Schwabauer disclosed that no reportable action took place in closed session.

A. CALL TO ORDER / ROLL CALL

The Regular City Council meeting of May 17, 2006, was called to order by Mayor Hitchcock at 7:02 p.m.

Present: Council Members – Beckman, Hansen, Johnson, Mounce, and Mayor Hitchcock

Absent: Council Members – None

Also Present: City Manager King, City Attorney Schwabauer, and City Clerk Blackston

B. INVOCATION

The invocation was given by Pastor Tim Pollock, Home Church.

C. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mayor Hitchcock.

D. AWARDS / PROCLAMATIONS / PRESENTATIONS

D-1 Awards – None

D-2 Proclamations – None

D-3 (a) Mayor Hitchcock presented a Certificate of Appreciation to Sarah Costa for her active role in promoting the water tower art design. Additionally, the Mayor presented Sarah with a framed copy of the art work, signed by the artist, Rick Cardinio, Jr.

D-3 (b) Mayor Hitchcock presented a Resolution of Appreciation to City Clerk, Susan Blackston, for her six years of service to the City of Lodi community. Ms. Blackston recognized and thanked her staff members Jennifer Perrin, Jackie Taylor, and Dana Chapman. She expressed gratitude for the privilege of working with Lodi Mayors Mann, Pennino, Nakanishi, Hitchcock, Hansen, and Beckman. She felt her greatest accomplishment was in earning the trust of the public, while providing assistance to them in understanding the processes of local government.

- D-3 (c) Pat Patrick, Executive Director of the Lodi Chamber of Commerce, explained that the Shop Lodi Campaign is aimed at Lodi residents to understand the importance of their consumer dollar. Sales tax revenue is the number one revenue stream for the City and it funds services. Keeping sales tax dollars in Lodi saves jobs and helps local businesses that donate to local charities. He reviewed the marketing efforts that would be employed from June through December 2006.

E. CONSENT CALENDAR

In accordance with the report and recommendation of the City Manager, Council, on motion of Mayor Pro Tempore Johnson, Beckman second, unanimously approved the following items hereinafter set forth **except those otherwise noted**:

- E-1 Claims were approved in the amount of \$4,903,045.08.
- E-2 The minutes of April 18, 2006 (Shirtsleeve Session), April 25, 2006 (Shirtsleeve Session), May 2, 2006 (Shirtsleeve Session), and May 2, 2006 (Special Meeting) were approved as written.
- E-3 Received the quarterly report of purchases between \$5,000 and \$20,000.
- E-4 "Accept improvements under contract with Crutchfield Construction for Water and Wastewater Main Replacement Program – Project No. 2" was **removed from the Consent Calendar and discussed and acted upon following approval of the Consent Calendar**.
- E-5 Accepted the improvements under "Century Boulevard Roadway Improvements Project, Lower Sacramento Road to Sage Way" contract with George Reed Inc.
- E-6 Adopted Resolution No. 2006-85 accepting the improvements under "Harney Lane Improvements along Legacy Estates, Unit 1" contract.
- E-7 Adopted Resolution No. 2006-86 accepting improvements under "Lower Sacramento Road Median Landscape Project, Kettleman Lane to Harney Lane" contract with Odyssey Landscape Company, Inc. and appropriating funds in the amount of \$183,000.
- E-8 "Adopt resolution accepting improvements in Legacy Estates Unit 2, Tract No. 3382, and amending Traffic Resolution 97-148 by approving installation of a multi-way stop control at the intersection of Mills Avenue and Wyndham Way" was **removed from the Consent Calendar and discussed and acted upon following approval of the Consent Calendar**.
- E-9 "Adopt resolution amending Traffic Resolution 97-148 by approving the speed limit modifications, which reduces the speed limit from 35 to 30 miles per hour on Brandywine Drive and increases the speed limit from 40 to 45 miles per hour on Pine Street from Guild Avenue to east City limits" was **removed from the Consent Calendar and discussed and acted upon following approval of the Consent Calendar**.
- E-10 Adopted Resolution No. 2006-87 awarding the contract for Lockeford Street and Sacramento Street Signal and Lighting Project to Pacific Excavation, of Elk Grove, in the amount of \$252,800, and appropriating additional funds in the amount of \$62,000.
- E-11 Adopted Resolution No. 2006-88 approving the agreement between the City of Lodi and Spare Time, Inc., dba Twin Arbor Athletic Club, for use of pools at Twin Arbor Athletic Club facilities that will serve the Summer Swim League program, which will run for the period of May 30, 2006 to July 27, 2006.
- E-12 Set special meeting for May 31, 2006, to present the 2006-07 Operating and Capital Outlay Budget.

- E-13 Set public hearing for June 7, 2006, to review and receive comments regarding City of Lodi 2006-07 Operating and Capital Outlay Budget.
- E-14 Adopted the following resolutions and set a public hearing for June 21, 2006:
- Resolution No. 2006-89 for preliminary approval of the Engineer's Annual Levy Report regarding the proposed levy and collection of assessments for the Lodi Consolidated Landscape Maintenance District No. 2003-1, Fiscal Year 2006-07; and
 - Resolution No. 2006-90 of the City Council declaring its intention for the levy and collection of assessments for the Lodi Consolidated Landscape Maintenance District No. 2003-1, Fiscal Year 2006-07.
- E-15 Set public hearing for June 21, 2006, to consider the appeal from Mohammad Dawood Khan and Rehana Khan regarding the requirements of a Notice and Order to Repair dated April 19, 2006, for the property located at 505 E. Pine Street (APN 043-170-03).
- E-16 Adopted Resolution No. 2006-91 authorizing the City Manager to sign and file a financial assistance application for a grant from the State Water Resources Control Board in the amount not to exceed \$75,000 for the facilities planning study for the City of Lodi Recycled Water Master Plan; to negotiate a grant contract and any amendments or change orders; and to certify that the City has and will comply with all applicable state and federal statutory and regulatory requirements related to any grants received.

ACTION ON ITEMS REMOVED FROM THE CONSENT CALENDAR

- E-4 "Accept improvements under contract with Crutchfield Construction for Water and Wastewater Main Replacement Program – Project No. 2"

Council Member Hansen emphasized the important work that has been completed, including 12,000 lineal feet of existing wastewater pipes being replaced and the installation of 7,000 lineal feet of new water main in the public right of way, along with 311 new water services.

MOTION / VOTE:

The City Council, on motion of Council Member Hansen, Mounce second, unanimously accepted the improvements under "Water and Wastewater Main Replacement Program – Project No. 2" contract with Crutchfield Construction.

- E-8 "Adopt resolution accepting improvements in Legacy Estates Unit 2, Tract No. 3382, and amending Traffic Resolution 97-148 by approving installation of a multi-way stop control at the intersection of Mills Avenue and Wyndham Way"

Mayor Hitchcock stated that this appears to be for the purpose of slowing down traffic rather than addressing cross traffic, which is normally the case when stop signs are installed.

Public Works Director Prima reported that numerous calls have been received from residents in the area. He acknowledged that it is being done for neighborhood traffic management. Additional pedestrian traffic is anticipated at the intersection.

MOTION / VOTE:

The City Council, on motion of Council Member Hansen, Johnson second, adopted Resolution No. 2006-92 accepting the improvements in Legacy Estates Unit 2, Tract No. 3382, and amending Traffic Resolution 97-148 by approving installation of a multi-way stop control at the intersection of Mills Avenue and Wyndham Way. The motion carried by the following vote:

Ayes: Council Members – Beckman, Hansen, Johnson, and Mounce

Noes: Council Members – Mayor Hitchcock

Absent: Council Members – None

- E-9 "Adopt resolution amending Traffic Resolution 97-148 by approving the speed limit modifications, which reduces the speed limit from 35 to 30 miles per hour on Brandywine Drive and increases the speed limit from 40 to 45 miles per hour on Pine Street from Guild Avenue to east City limits"

Council Member Mounce expressed concern about increasing the speed limit from 40 to 45 miles per hour because of the businesses located in the area.

Public Works Director Prima explained that it is a transition zone from rural to a developed area. There have been enforcement issues in the past. A traffic study showed that the increase was warranted and radar enforcement cannot be used otherwise. A street maintenance project is planned for the area of Central Avenue between Kettleman Lane and Vine Street. The traffic survey showed that there has been no change since it was done five years ago. Once the street maintenance work is done, the traffic survey will be updated.

MOTION / VOTE:

The City Council, on motion of Council Member Beckman, Hansen second, adopted Resolution No. 2006-93 amending Traffic Resolution 97-148 by approving the speed limit modifications, which reduces the speed limit from 35 to 30 miles per hour on Brandywine Drive and increases the speed limit from 40 to 45 miles per hour on Pine Street from Guild Avenue to east City limits. The motion carried by the following vote:

Ayes: Council Members – Beckman, Hansen, Johnson, and Mayor Hitchcock

Noes: Council Members – Mounce

Absent: Council Members – None

F. COMMENTS BY THE PUBLIC ON NON-AGENDA ITEMS

- Jane Lea reported that 4,401 signatures were filed with the City Clerk on the Water Rate Reduction Initiative petition. The San Joaquin County Registrar of Voters certified 4,020 signatures, which qualifies the initiative for the November ballot. She thanked volunteers and citizens for signing the petition. She stated that essential services are what the citizens of Lodi pay for first with their tax dollars. She proposed that the following expenditures be suspended until the City is financially healthy:

- \$10,000 for the purchase of bottled water
- \$21,000 contribution to the San Joaquin Partnership
- \$123,000 contribution to the Lodi Conference and Visitors Bureau
- \$16,000 contribution to the League of California Cities
- \$18,000 contribution to the Chamber of Commerce
- \$42,000 for the Youth Commission
- \$26,000 for Art in Public Places
- \$11,000 for the Arts Commission

Ms. Lea stated that \$500,000 is in an account for Art in Public Places, which was diverted from impact fees paid by developers for amenities to the community such as public safety, fire stations, parks, roads, and water and sewer upgrades. She felt that in a budget crisis year, as the City claims, these monies should be returned to their intended purpose. She recommended that the budget for Hutchins Street Square be reduced by 20% with the understanding that it becomes self supporting in the near future. She reported that Lodi citizens voted against Measure A by nearly two to one on November 5, 1985, not to subsidize Hutchins Street Square. The lawsuit settlement of \$1.8 million with Pacific Gas and Electric will soon be payable to the City. Currently, Lodi has a \$2 million credit with the Northern California Power Agency. Due to rising prices of gasoline, the City's gas tax revenue will increase substantially, and Ms. Lea suggested that this money be put toward the groundwater contamination cleanup. In total, these actions could account for more than \$4,800,000.

- Mary Hoff stated that many residents surrounding the proposed Delta College satellite campus site attended the Board of Trustee's meeting last night. At the May 3 Council meeting, residents asked that the matter be placed on a future agenda. She alleged that there is a conflict of interest between realtor Tad Platt and Council Members Hansen and Johnson, both of which serve on the Delta College Task Force.

G. COMMENTS BY CITY COUNCIL MEMBERS ON NON-AGENDA ITEMS

- Mayor Pro Tempore Johnson asked to be provided with a copy of the list that Ms. Lea read and suggested that it be addressed during upcoming budget discussions. He commended City Manager King for his work on the Blue Shield project. He recalled asking previously that the matter of alternative work programs be brought back to Council. He recently received a letter regarding a problem on Cherokee Lane; however, it was not signed, and he asked the sender to respond so that he could follow up on the matter.
- Council Member Mounce reported that she recently attended a conference hosted by the Great Valley Center in Sacramento. Topics discussed included sustainable communities, how to approach general plans, air quality, affordable housing, and mass transit. She mentioned that the Lodi City Employees Association donated gifts to the Children's Home of Stockton. She congratulated her parents Dave and Betty Gates for finishing in first and second place in the Walk for the Health of It event that had 1,100 participants.
- Council Member Hansen responded to Ms. Hoff's earlier comment by stating that he did not have a conflict of interest in the Delta College matter as he had nothing to gain financially from the project. He stated that Council understands that some residents are opposed to the location; however, he must weigh the greater good and believed there were significant benefits to the City from this learning institution locating in Lodi. He was not in favor of scheduling an item on the Council agenda at this time because there would be opportunities afforded for public comment through the due diligence process that Delta College is currently undertaking. In response to Ms. Lea's comments, he was opposed to making any changes that would affect electric rates. He warned that if water rates were rescinded the City's ability to maintain the level of service that citizens now enjoy would be drastically effected. He pointed out that more than half the City's budget goes toward public safety.
- Council Member Beckman distributed a list of meetings he attended during the San Joaquin Council of Governments One Voice event (filed). Over a four-day period, 45 individual meetings were held with a variety of policy makers at various levels.
- Mayor Hitchcock reported that she interviewed 15 candidates for the Youth Commission last Saturday. She mentioned that a joint meeting with the Arts Commission was held yesterday. She thanked Council Member Hansen for clarifying the difference between property rights and speculation in a recent article he wrote that was published in the Lodi News-Sentinel. She asked the City Manager to estimate impacts to the City's budget based on the effects of the Water Rate Reduction initiative passing, i.e. a \$3 million annual decrease for the next 30 years.

H. COMMENTS BY THE CITY MANAGER ON NON-AGENDA ITEMS

- City Manager King mentioned that the topic of the May 23 quarterly utility report will include the status of the Electric Utility budget. At that meeting the general operating reserve at Northern California Power Agency (NCPA) will be discussed. Included in that amount is the \$2.8 million settlement received from PG&E. He believed it would be necessary to use these funds during fiscal year 2005-06. He encouraged the public to attend the May 31 and June 7 City Council meetings, at which the budget will be discussed.

I. PUBLIC HEARINGS

None.

J. COMMUNICATIONS

J-1 Claims filed against the City of Lodi – None

J-2 The following postings/appointments were made:

- a) The City Council, on motion of Council Member Mounce, Beckman second, unanimously made the following appointment:

Lodi Improvement Committee

Abel Miranda Term to expire March 1, 2008

- b) The City Council, on motion of Mayor Hitchcock, Mounce second, unanimously directed the City Clerk to post for the following vacancy:

Greater Lodi Area Youth Commission

MaryAnn Porterfield Term to expire May 31, 2007

J-3 Miscellaneous

- a) In regard to the correspondence from Mary Hoff requesting that an item be placed on a City Council agenda regarding the Delta College satellite campus proposal, the City Council took no action. At the conclusion of the meeting, following discussion, Council concurred that a letter to Ms. Hoff would be drafted by the City Manager and signed by Mayor Hitchcock that briefly outlined the process that is currently taking place through Delta College and addressing the fact that it would be premature at this time for the City Council to place an item on its agenda to consider the matter. Council Member Beckman indicated that he would speak with Ms. Hoff.

K. REGULAR CALENDAR

K-1 "Authorize City Manager to execute fee adjustment agreement for Vintage Oaks Subdivision"

Public Works Director Prima recalled that in 2004 Council approved an increase in development impact fees and allowed for a window of time (through 2005) for projects that were in progress to pay fees at the previous rate. The Vintage Oaks subdivision project did not proceed as quickly as anticipated and its improvement agreement was approved by the Council in late 2005. The developer's understanding was that he had to have the project substantially complete in order to pay the fees. Under the old fee schedule, the amount due would be \$250,000 and the updated fee schedule would increase it to \$300,000.

PUBLIC COMMENTS:

- Jeffery Kirst explained that there was a lot of confusion and communication problems, due to the work being done on Lower Sacramento Road adjacent to his project. He read from the subdivision agreement, "*Payment of the fees shall be deferred until the project is ready for acceptance.*" Mr. Kirst stated that he still cannot complete the Vintage Oaks project because he is waiting for a water tap from the City. He recalled that in November there was a boundary dispute. The City's contract engineer had made a mistake along the boundary and there was a two-foot discrepancy. Mr. Kirst ended up granting an easement at no cost to the City. Mr. Kirst did not believe he should have to pay the higher fee amount; however, he agreed to split the cost difference with the City. He distributed a summary of events that occurred related to the project (filed).

MOTION / VOTE:

The City Council, on motion of Council Member Hansen, Beckman second, unanimously authorized the City Manager to execute fee adjustment agreement for Vintage Oaks Subdivision.

RECESS

At 8:48 p.m., Mayor Hitchcock called for a recess, and the City Council meeting reconvened at 8:58 p.m.

K. REGULAR CALENDAR (Continued)

K-2 "Provide direction regarding a land lease with the Community Partnership for Families of San Joaquin for construction of a Family Resource Center at Blakely Park and to provide 40 hours in-kind project management assistance from the Public Works Department prior to execution of the lease"

City Manager King recalled that Mayor Pro Tempore Johnson had expressed concern that staff was working on a draft lease agreement for City-owned property without first having obtained direction from Council. He reported that the Community Partnership for Families (CPF) approached staff regarding leasing a site at Blakely Park, adjacent to the Boys and Girls Club, to provide for a Family Resource Center facility. In addition to a land lease of \$1 per year, CPF is requesting 40 hours of in-kind project management assistance from the Public Works Department to provide for project coordination and review prior to the execution of the lease.

PUBLIC COMMENTS:

- Phyllis Grupe recalled that in 1994 a study proposed by the San Joaquin Business Council found that reasons companies were choosing not to locate in the San Joaquin Valley were safety, education, and water. In response to its findings, a group of community leaders traveled to Minneapolis, Minnesota, and Cedar Rapids, Iowa, to investigate programs they had developed, which made a positive impact on the most at-risk and underserved members of their communities. CPF was formed in 1998 with a vision to promote policies and programs that enabled community-based organizations and groups to better join together and work with their clients. CPF members came from the business community, childcare, education, parks and recreation, city and county government agencies, community-based organizations, faith-based organizations, health care, libraries, grassroots organizations, and law enforcement. CPF's strategy is to develop platforms of service that exist in low-income neighborhoods to integrate services, reduce red tape, leverage dollars, improve services, and return individuals and families to healthy and productive positions in the community. CPF's goals are to create self-sufficient families who have quality childcare, employment, healthcare, and financial skills and who are civically involved and have children who are ready to learn, work, and proceed to higher education. CPF serves 500 Lodi families. Its present location in the Boys and Girls Club building is overcrowded. Currently, service providers who work with CPF in the Lodi Family Resource Center include Head Start, Family Resource and Referral, Child Protective Services, and the Women, Infants & Children program. If the proposed new facility is built, new providers will include Mental Health Services, Worknet, Calworks, Health Services, probation officers, and gang outreach specialists. CPF coordinates the annual Celebration on Central event, at which 35 vendors participate and 5,000 people attend. CPF would like to construct a facility west of the Boys and Girls Club building that will include park restrooms, which in their current location, have been vandalized frequently. Statistics have proven that a Family Resource Center located with a Boys and Girls Club is the best possible combination, because families feel comfortable there and it is within walking distance. The center could serve up to 20,000 residents in the surrounding Blakely Park neighborhood. Of 905 families recently served by CPF, there was a 47% decrease in child protective service intervention, 71.4% decrease in juvenile arrests, and 93.7% of the families now have health insurance. There has also been a decrease in unexcused school absences and suspensions. CPF's volunteer Income Tax Assistance Program brought more than \$3 million back to San Joaquin County. There have been 75 families that participated in the Financial Redirection Project where they learned about banking services, credit, savings, home ownership,

and were warned about predatory banking practices. One in four families in San Joaquin County live in poverty. CPF has six Family Resource Centers in San Joaquin County along the Highway 99 corridor. She asked for Council's support in CPF's efforts to bring a 5,000 square foot Family Resource Center to Lodi's east side community adjacent to the Boys and Girls Club.

- Ann Cerney stated that she was supportive of the work done by CPF; however, she expressed concern about the loss of park space in that area and suggested that the open space be replaced.

Council Member Hansen recalled having reported to Council on many occasions about the meetings he had attended related to this proposal and mentioned that he had been involved with CPF since its inception. A Family Resource Center provides tools for people to become productive members of society. It is designed to help people access the services they deserve and to teach, encourage, and provide opportunities for them to be self sufficient so they are not reliant upon social service programs.

Council Member Mounce expressed support for the services provided by CPF and mentioned that she had referred friends and neighbors to the organization. She was opposed to the location because it would take away parkland. She encouraged CPF to look at other northeast areas of the city and suggested the vacant lot near Valley Industries, a partnership with the church across the street from the Boys and Girls Club, or the nearby Lodi Academy School.

Mayor Pro Tempore Johnson recalled voting against a proposal brought forward several years ago to build a 3,000 square foot building adjacent to the Boys and Girls Club to accommodate CPF. He was not in support of the proposal then or now to build a facility on parkland. He felt that Council should see a plan before discussing a lease. He noted that CPF is paying \$2,500 a month to rent space now from the Boys & Girls Club, and if they were to leave, the Club would need to find another tenant which would also impact parking, etc. in the area. He advised CPF to consider other locations such as the Maple Square site at the corner of Lodi Avenue and Sacramento Street, and asked City Manager King to return with information on whether the site could accommodate the project.

Mayor Hitchcock expressed support for the work of CPF and the location proposed, as it is advantageous for its clients who also receive services from the Boys and Girls Club. She felt there would be adequate space remaining in the park for recreation purposes.

Council Member Beckman asked CPF to return with the plans for the Family Resource Center so that Council can better understand the size, scope, and impact it would have.

Council Member Hansen emphasized the benefits of a Family Resource Center being next to a Boys and Girls Club facility. He felt that choosing any other location would be a disservice to the families in Lodi that need assistance. He pointed out that this matter was considered and approved by the Parks and Recreation Commission. He strongly urged Council to approve the request and noted that the City has already invested in this project with Community Development Block Grant funds.

- Robina Asghar reported that Larry Wenell of Wenell Mattheis Bowe Architects has been working with the community and service providers to design the Family Resource Center. Thus far, \$20,000 has been spent on preliminary plans, of the \$45,000 allocated from CDBG funds. She stated that the public restrooms at Blakely Park have been problematic because they are located in a position where the police cannot scan

them while patrolling the area. The 5,000 square foot Family Resource Center would include new public restrooms for the park, better located for police surveillance. Ms. Asghar reported that there are gang problems in the area, which prevent families from coming to the park. She felt that by building the Family Resource Center at Blakely Park it would give the park back to the families who need it. She recalled coming to Lodi six years ago and discovering that many Muslim girls were not attending school. This year, 26 of those girls will be graduating. She felt that the benefits of a Family Resource Center would far outweigh the drawback of losing park space in the community.

MOTION / VOTE:

The City Council, on motion of Council Member Beckman, Hitchcock second, directed staff to bring this matter back to Council as soon as possible with the site and architectural plans that have been prepared by the Community Partnership for Families for the proposed Family Resource Center and that staff return with information related to vandalism and police reports associated with the public restrooms at Blakely Park. The motion carried by the following vote:

Ayes: Council Members – Beckman, Hansen, Johnson, and Mayor Hitchcock

Noes: Council Members – Mounce

Absent: Council Members – None

- K-3 “Conceptual discussion of the Lodi Science Museum leasing the Downtown Lodi Parking Garage retail space and provide direction to the City Manager to enter into negotiations and/or other alternative actions as deemed necessary”

City Manager King reported that a group of citizens has formed an organization called The Lodi Science Museum and have proposed that the City enter into a pre-agreement, which would allow the museum to raise funds for tenant improvements at the Downtown Lodi Parking Garage retail space with a goal that it would eventually house the Science Museum. The group would have a period of six months to raise the funds for the tenant improvements. If it proceeded, the Science Museum would be open a minimum of 33 hours a week. Rent for the facility would go to the transit fund. He noted that Hertz Realty, which owns several properties on Sacramento Street, is supportive of this proposal.

PUBLIC COMMENTS:

- Sally Snyder stated that the mission of the Science Museum is to create a facility that offers hands-on, science-based exhibits and programs to stimulate discovery for all ages. She believed that it would increase tourism in Lodi and fill a need for families and the school system throughout the Central Valley. She anticipated that 25,000 visitors would come to the Science Museum in its first year. Tenant improvements are estimated to cost between \$50,000 and \$100,000. In-kind donations, labor, and engineering will be donated. Start up costs are estimated at \$165,000.

MOTION / VOTE:

The City Council, on motion of Council Member Hansen, Mounce second, unanimously directed the City Manager to enter into negotiations with the Lodi Science Museum and/or other alternative actions as deemed necessary regarding leasing Downtown Lodi Parking Garage retail space.

- K-4 “Adopt resolution authorizing the City Manager to enter into a contract with Dyett & Bhatia in the amount of \$920,020 for contract services related to the preparation of the General Plan update”

Community Development Director Hatch reported that on January 31 a Request for Qualifications was sent to 21 firms. Five qualified firms responded by the February 14 deadline. Of those firms, it was narrowed down to three who were interviewed and references checked. The evaluation process was done by Public Works and Planning staff;

the Planning Commission was not involved. Staff recommends the firm of Dyett & Bhatia to prepare the General Plan update. Mr. Hatch explained that he recommended the firm over Minteir & Associates as he believed it would differentiate Lodi from the rest of the Central Valley communities.

Council Member Beckman asked staff to bring the matter back to Council if at any point in the process the budget is exceeded.

In response to questions posed by Council, Mr. Bhatia reported that he was the project manager for the Capitol area plan in Sacramento. He has served as the principle in 15 general plans and 25 other projects of significance in his career. Mr. Bhatia assured Council he was a hands-on manager and had a strong planning and economic development background.

MOTION / VOTE:

The City Council, on motion of Council Member Beckman, Mounce second, unanimously adopted Resolution No. 2006-94 authorizing the City Manager to enter into a contract with Dyett & Bhatia in the amount of \$920,020 for contract services related to the preparation of the General Plan update.

VOTE TO CONTINUE WITH THE REMAINDER OF THE MEETING

The City Council, on motion of Mayor Pro Tempore Johnson, Beckman second, unanimously voted to continue with the remainder of the meeting following the 11:00 p.m. hour.

K. REGULAR CALENDAR (Continued)

NOTE: The following item was heard out of order.

K-6 "Introduce ordinance repealing and reenacting Lodi Municipal Code Title 5 – Permits and Regulations – Chapter 5.12, "Cardrooms," allowing Lodi card rooms to play Texas Hold'em"

City Attorney Schwabauer explained that the delay for this matter was due to it being reviewed by the State Attorney General's Office Division of Gambling Control. Its recommendations have been incorporated into the ordinance now before Council. The game Texas Hold'em has been added as requested by Jack Morgan, owner of Jacks Back Cardroom. Eight tables will be allowed with ten players per table. Hours will be extended to 4:00 a.m. Saturdays and Sundays. Signs can be displayed consistent with the City's sign ordinance. The business will pay 9% of its gross revenue to the City as a permit fee for its operation.

PUBLIC COMMENTS:

- Tom Newton, attorney representing Jack Morgan, acknowledged that the existing facility is not large enough to accommodate the increased number of tables, so another location is being sought. He preferred that the ordinance allow any game that is approved by the Department of Gambling Control.

Mayor Hitchcock stated that she was in favor of the ordinance as written so that the Council is made aware of any new games being added. She mentioned that adequate parking should be made available so that there is no negative impact to the surrounding neighborhood of the card room.

In reply to Council Member Mounce, Mr. Newton reported that the Department of Gambling Control periodically reviews and audits the books.

Mr. Schwabauer stated that the Finance Department asked that its audit be subject to their discretion rather than setting a specific time. Police Chief Adams has reviewed the proposed ordinance and was satisfied with it as written.

Council Member Hansen felt there should be a conditional use permit required for card rooms.

- David Neilson mentioned that Jack Morgan has operated card rooms for over 40 years and never had any problems associated with his operation.

MOTION / VOTE:

The City Council, on motion of Mayor Pro Tempore Johnson, Mounce second, unanimously introduced Ordinance No. 1779 repealing and reenacting Lodi Municipal Code Title 5 – Permits and Regulations – Chapter 5.12, “Cardrooms,” allowing Lodi card rooms to play Texas Hold’em.

- K-5 “Adopt resolution awarding contract for Asphalt Rubber Cape Seal, Various Streets, 2006 to International Surfacing Systems, Inc., of Modesto (\$358,900), and appropriating funds (\$395,000)”

George Bradley, Street Superintendent, explained that asphalt rubber cape seal is a combination of a chip seal and slurry seal. Staff is proposing to use a rubberized chip seal with a slurry seal over it. The binder will be rubberized asphalt, which is applied at twice the normal thickness. The chip is heated and coated with asphalt. A thin overlay on the project would cost \$800,000; however, the rubberized cape seal will cost \$360,000. It provides resistance to cracking and there is less dust.

MOTION / VOTE:

The City Council, on motion of Council Member Mounce, Beckman second, unanimously adopted Resolution No. 2006-95 awarding contract for Asphalt Rubber Cape Seal, Various Streets, 2006 to International Surfacing Systems, Inc., of Modesto, in the amount of \$358,900 and appropriating funds in the amount of \$395,000.

- K-7 “Adopt resolutions of various matters pertaining to the November 7, 2006, General Municipal Election:

- “a) Resolution calling and giving notice of the holding of a General Municipal Election
- “b) Resolution approving entering into a contract with the County of San Joaquin for the County Registrar of Voters to provide certain services
- “c) Resolution regarding impartial analyses, arguments, and rebuttal arguments for any measure(s) that may qualify to be placed on the ballot
- “d) Resolution adopting regulations pertaining to the candidates’ statements”

City Clerk Blackston reported that the Council Member candidate nomination period for the November General Municipal Election will be July 17 through August 11. If an incumbent does not file, the nomination period will be extended through August 16. Ms. Blackston briefly introduced the four resolutions under consideration.

MOTION / VOTE:

The City Council, on motion of Council Member Mounce, Beckman second, unanimously adopted the following resolutions pertaining to the November 7, 2006, General Municipal Election:

- Resolution No. 2006-96 calling and giving notice of the holding of a General Municipal Election;
- Resolution No. 2006-97 approving entering into a contract with the County of San Joaquin for the County Registrar of Voters to provide certain services;
- Resolution No. 2006-98 regarding impartial analyses, arguments, and rebuttal arguments for any measure(s) that may qualify to be placed on the ballot; and
- Resolution No. 2006-99 adopting regulations pertaining to the candidates’ statements.

K-8 "Public Employee Appointment – Interim City Clerk pursuant to Government Code §54957"

MOTION / VOTE:

The City Council, on motion of Council Member Hansen, Beckman second, unanimously adopted Resolution No. 2006-100 appointing Jennifer M. Perrin as Interim City Clerk beginning June 1, 2006, until such time as an appointment to the position is made and to provide a 10% temporary upgrade in salary while serving in this capacity.

K-9 "Approve expenses incurred by outside counsel/consultants relative to the Environmental Abatement Program litigation and various other cases being handled by outside counsel (\$144,161.99)"

MOTION / VOTE:

The City Council, on motion of Council Member Mounce, Beckman second, unanimously approved expenses incurred by outside counsel/consultants relative to the Environmental Abatement Program litigation and various other cases being handled by outside counsel in the amount of \$144,161.99, as detailed below:

Folger Levin & Kahn - Invoices Distribution

Matter No.	Invoice No.	Date	Description	Total Amount
8002	94732	3/31/2006	People v. M&P Investments	43,031.08
				(1,040.00)
8003	94738	3/31/2006	Hartford Insurance Coverage Litigation	84,406.28
				(4,360.00)
8008	94725	3/31/2006	City of Lodi v. Envision Law Group	8,556.68
	6143	2/28/2006	Peter Krasnoff, Expert	3,887.50
	12984	4/2/2006	Keith O'Brien, Hydrogeologist	7,102.34
				<u>\$141,583.88</u>

Kronick Moskovitz Tiedemann & Girard - Invoices Distribution

Matter No.	Invoice No.	Date	Description	Total Amount	100351.7323
11233.001	224621	03/25/06	General advice	153.50	153.50
11233.026	224621	03/25/06	Lodi First v. City of Lodi	1,005.16	1,005.16
11233.027	224621	03/25/06	Citizens for Open Govt. v. City of Lodi	362.45	362.45
11233.029	224621	03/25/06	AT&T v. City of Lodi	1,057.00	1,057.00
				<u>2,578.11</u>	<u>2,578.11</u>

L. ORDINANCES

None.

M. ADJOURNMENT

There being no further business to come before the City Council, the meeting was adjourned at 12:03 a.m., Thursday, May 18, 2006.

ATTEST:

Susan J. Blackston
City Clerk

**CITY OF LODI
INFORMAL INFORMATIONAL MEETING
"SHIRTSLEEVE" SESSION
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, MAY 30, 2006**

The May 30, 2006, Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was canceled.

ATTEST:

Susan J. Blackston
City Clerk



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Approve Plans and Specifications and Authorize Advertisement for Bids for Municipal Service Center (MSC) Additional Compressed Natural Gas (CNG) Installation Project

MEETING DATE: June 7, 2006

PREPARED BY: Public Works Director

RECOMMENDED ACTION: That the City Council approve the plans and specifications and authorize advertisement for bids for the Municipal Service Center (MSC) Additional Compressed Natural Gas (CNG) Installation Project.

BACKGROUND INFORMATION: This project consists of providing the installation of additional CNG fueling equipment within the existing fueling facility at the MSC.

The City previously constructed a CNG fueling facility at the MSC to accommodate transit vehicles and miscellaneous CNG-fueled City equipment. This project will install a second compressor at the MSC, allowing for additional fueling capacity for an expanding transit fleet, as well as backup so that the compressors can be serviced without disrupting the fueling capabilities of the City fleet. Council authorized the purchase of the additional CNG compressor and auxiliary equipment as a separate bid on December 7, 2005. Bidding the equipment separately from the construction was the most cost effective and efficient way to build the CNG station, as it reduces the cost of the equipment, since the manufacturers provide it. A copy of the plans and specifications are on file in the Public Works Department.

Funding for the project is through a Congestion Mitigation and Air Quality (CMAQ) grant from the San Joaquin Council of Governments with matching funds from Transportation Development Act (TDA) transit capital funds.

FISCAL IMPACT: Failure to bid construction of the facility would result in a loss of fueling backup and the previously-purchased equipment going unused.

FUNDING AVAILABLE:	CMAQ Grant	\$40,000
	TDA Transit Funds	\$10,000
	Planned Bid Opening Date:	July 12, 2006

Richard C. Prima, Jr.
Public Works Director

Prepared by Tiffani M. Fink, Transportation Manager
RCP/TF/pmf

cc: Finance Director
Fleet and Facilities Manager

APPROVED: _____
Blair King, City Manager



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Approve Plans and Specifications and Authorize Advertisement for Bids for Church Street (Lodi Avenue to Lockeford Street) and Sacramento Street (Elm Street to Lockeford Street) Overlay and Church Street Striping (Lodi Avenue to Kettleman Lane) Project

MEETING DATE: June 7, 2006

PREPARED BY: Public Works Director

RECOMMENDED ACTION: That the City Council approve the plans and specifications and authorize advertisement for bids for the above project.

BACKGROUND INFORMATION: This project includes installing a 0.20-foot thick asphalt pavement overlay on Church Street between Lodi Avenue and Lockeford Street and a 0.15-foot thick asphalt pavement overlay on Sacramento Street between Elm Street and Lockeford Street. The work also includes approximately 3,000 tons of asphalt concrete and 3,200 square yards of pavement reinforcement fabric, pavement grinding, pavement striping, signal modifications and other incidental and related work, all as shown on the plans and specifications for the above project.

Church Street (Lodi Avenue to Lockeford Street)

In anticipation of the overlay work, City staff worked together with Downtown business interests and is recommending that the existing four-lane striping configuration be maintained on Church Street with minor modifications. This recommendation considered existing and future traffic volumes, collisions, and operations and concerns expressed by those who attended informational and planning meetings. Staff considered other alternatives that included revising the existing four-lane configuration to a three-lane configuration (two travel lanes and a center left-turn lane).

Staff initiated the public review process by contacting seventy property owners and tenants along Church Street and the Downtown Lodi Business Partnership (DLBP). After receiving only eight responses, staff hosted a general information meeting and planning session.

Representatives from banks, a church, businesses, the DLBP, and the Chamber of Commerce attended the meeting and planning session. Group consensus reflected concern that a three-lane configuration may discourage traffic flow to the Downtown core. The group also requested staff explore an alternative that would retain the existing four-lane configuration with modifications to address the collisions at Elm Street and Church Street. In addition, the group preferred vehicle lanes over bicycle lanes along this section of Church Street.

Church Street Striping (Lodi Avenue to Kettleman Lane)

To take advantage of economies of scale, this project includes bike lane striping on Church Street from Lodi Avenue to Kettleman Lane. The proposed striping changes include the addition of signed and striped Class II bike lanes along this corridor, in accordance with the City's Bicycle Transportation Master Plan.

APPROVED: _____
Blair King, City Manager

Approve Plans and Specifications and Authorize Advertisement for Bids for Church Street (Lodi Avenue to Lockeford Street) and Sacramento Street (Elm Street to Lockeford Street) and Church Street Striping (Lodi Avenue to Kettleman Lane) Project

June 7, 2006

Page 2

Sacramento Street (Elm Street to Lockeford Street)

The existing pavement condition warranted an overlay at this location. No changes are proposed to the existing striping, however, minor parking changes are proposed.

During paving operations, the plans and specifications allow the contractor to close portions of Church Street and Sacramento Street. To reduce the impact to businesses, an option to pave at night will be provided in the bid documents as an alternative to closing portions of Church Street for daytime paving operations. The allowable closures include one night to pave from Lodi Avenue to Pine Street and one night to pave from Pine Street to Lockeford Street. Sacramento Street will be closed for paving operations for one day only.

Closing the work area to traffic will expedite the paving process and provide a better overall paving job for the City, while minimizing the economic impact to the Downtown businesses. Temporary access to businesses within the limits of work will be from the side streets during the closure periods.

Notifications to the public will be mailed to property owners adjacent to the project limits and advertised in the *Lodi News Sentinel* prior to the planned closure date.

FISCAL IMPACT: By investing in the recommended overlay project, significant capital dollars will be saved by extending the useful life of the pavement section.

FUNDING AVAILABLE: The money for this project will be coming from Measure K Maintenance and Transportation Development Act (TDA) Streets. A request for appropriation of funds will be made at contract award.

Project Estimate: \$525,000
Budgeted: 06/07 fiscal year
Planned Bid Opening Date: June 28, 2006

Richard C. Prima, Jr.
Public Works Director

Prepared by Charlie Swimley, Senior Civil Engineer, and Paula J. Fernandez, Senior Traffic Engineer

RCP/PJF/CES/pmf

cc: City Engineer

Street Superintendent

Senior Traffic Engineer

DLBP, President Chuck Easterling

Chamber of Commerce, Executive Director Pat Patrick

Steve Ward, Gaddy Ward & Company

Church Street Property Owners/Tenants Mailing List



CITY OF LODI

COUNCIL COMMUNICATION

AGENDA TITLE: Approve Specifications and Authorize Advertisement for Bids for Necessary Process Chemicals for White Slough Water Pollution Control Facility, Fiscal Year 2006/07

MEETING DATE: June 7, 2006

PREPARED BY: Public Works Director

RECOMMENDED ACTION: That the City Council approve specifications and authorize advertisement for bids for necessary process chemicals for the White Slough Water Pollution Control Facility (WSWPCF), fiscal year 2006/07.

BACKGROUND INFORMATION: The process chemical bids are requested for sodium hydroxide and liquid cationic coagulant. The sodium hydroxide, also known as caustic soda, is needed to adjust the pH of the effluent discharged from the WSWPCF. The liquid cationic coagulant is needed to remove solids and reduce turbidity in the treated effluent during process upsets.

The pH measurement is an indication of the acidity/alkalinity of the water. Wastewater can become acidic as the organics break down during the treatment process. When the pH falls below 6.5, it is necessary to add an alkalid, such as caustic soda to raise the pH. Turbidity is a measure of how clear the water is. When process upsets occur, the effluent may become cloudy, which is a violation of our discharge permit. The specifications provide for renewal by staff for an additional year. The specifications are on file in the Public Works Department at the Municipal Service Center.

FISCAL IMPACT: Because the annual usage can vary depending on the quantity and strength of the wastewater treated, the approximate annual purchase may be 20,000 gallons of sodium hydroxide and 40,000 pounds of coagulant. The estimated annual cost for sodium hydroxide will be \$53,000 and will be \$32,000 for the coagulant. The proposed operating budget has sufficient funds to cover these purchases.

FUNDING AVAILABLE: The money for these purchases will be coming from the WSWPCF Operating Budget in the proposed 2006/07 operating budget.

Project Estimate: \$85,000
 Budgeted: 2006/07 fiscal year
 Planned Bid Opening: June 28, 2006

 Richard C. Prima, Jr.
 Public Works Director

Prepared by Del Kerlin, Assistant Wastewater Treatment Superintendent
 RCP/DK/dk

cc: D. Stephen Schwabauer, City Attorney
 Joel Harris, Purchasing Agent

Del Kerlin, Assistant Wastewater Treatment Superintendent

APPROVED: _____
 Blair King, City Manager



CITY OF LODI

COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution Awarding Contract for Asphalt Materials for Fiscal Year 2006/07 to Granite Construction Company, of Stockton (\$163,780)

MEETING DATE: June 7, 2006

PREPARED BY: Public Works Director

RECOMMENDED ACTION: That the City Council adopt a resolution awarding contract for asphalt materials for fiscal year 2006/07 to Granite Construction Company, of Stockton, as follows:

Item A	2,000 Tons/FOB Plant	Granite Construction	Stockton	\$109,900
Item B	1,000 Tons/Stockpile City Limits	Granite Construction	Stockton	\$ 53,880

BACKGROUND INFORMATION: This contract provides asphalt materials for various street maintenance projects carried on throughout the City during the fiscal year.

Specifications for this project were approved on April 19, 2006. Bid packets were mailed to three vendors. The City received one bid on May 11, 2006, from Granite Construction Company, of Stockton, for the asphalt materials (bid tab attached). This year's contract prices increased by approximately 31 percent over last year's prices. This increase reflects the rising cost of petroleum products.

FISCAL IMPACT: This project will assist the Street Division in its continuing effort to maintain the City of Lodi's asphalt paving.

FUNDING AVAILABLE: Budgeted Fund: 2006/07 Street Maintenance Fund
Project Estimate: \$163,780

Ruby Paiste, Interim Finance Director

Richard C. Prima, Jr.
Public Works Director

Prepared by Curt Juran, Assistant Street Superintendent

RCP/GMB/dsg

Attachment

cc: Curt Juran, Assistant Street Superintendent

APPROVED: _____
Blair King, City Manager

Bidder	F.O.B. Plant per ton	Tax	Plus Energy Surcharge / Any Additional Costs	Total per ton plus Tax and Any Additional Costs
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2,000 TONS (3/8") Max Medium Type A, PG 64-16

Granite Construction Company	\$51.00	\$3.95	\$0.00	\$54.95
George Reed	no bid			\$0.00

1,000 TONS (1/2") Max Medium Type A, PG 64-10

Granite Construction Company	\$50.00	\$3.88	\$0.00	\$53.88
George Reed	no bid			

Bid Opening 5/11/06 @ 11:02 AM
PW Conf. Rm.

George Reed
17300 E. Jahant Road
Clements, CA 95227
phone 209-759-3331 fax 209-759-3406

Granite Construction Company
10500 S. Harlan Road
French Camp, CA 95231
phone 209-982-4750 fax 209-983-0161

RESOLUTION NO. 2006-_____

A RESOLUTION OF THE LODI CITY COUNCIL
AWARDING THE CONTRACT FOR ASPHALT
MATERIALS FOR FISCAL YEAR 2006-07

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WHEREAS, in answer to notice duly published in accordance with law and the order of this City Council, sealed bids were received and publicly opened on May 11, 2006, at 11:00 a.m., for Asphalt Materials for Fiscal Year 2006/07, described in the specifications therefore approved by the City Council on April 19, 2006; and

WHEREAS, said bids have been compared, checked, and tabulated and a report thereof filed with the City Manager as follows:

	Description	Bidder/Location	Bid
Item A	2,000 Tons/FOB Plant	Granite Construction, Stockton	\$109,900
Item B	1,000 Tons/Stockpile City Limits	Granite Construction, Stockton	\$ 53,880

WHEREAS, the City Manager recommends award of the contract for Asphalt Materials for Fiscal Year 2006/07 be made to the sole bidder, Granite Construction Company, of Stockton, California, in the amount of \$163,780.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby award the contract for Asphalt Materials for Fiscal Year 2006/07 to the sole bidder, Granite Construction Company, of Stockton, California, in the amount of \$163,780.

Dated: June 7, 2006

=====

I hereby certify that Resolution No. 2006-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held June 7, 2006, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

JENNIFER M. PERRIN
Interim City Clerk

2006-_____



CITY OF LODI

COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution Awarding Contract for 2006 Handicap Ramp Retrofit Project to A. M. Stephens Construction Company, Inc., of Lodi, (\$232,365)

MEETING DATE: June 7, 2006

PREPARED BY: Public Works Director

RECOMMENDED ACTION: That the City Council adopt a resolution awarding the contract for the 2006 Handicap Ramp Retrofit Project to A. M. Stephens Construction Company, Inc., of Lodi, in the amount of \$232,365.

BACKGROUND INFORMATION: This project consists of removing curb, gutter and sidewalk at various intersections in the Community Development Target Area for low to moderate income families and installing handicap ramps to meet the requirements of the Americans with Disabilities Act (ADA) and other incidental and related work, all as shown on the plans and specifications for the project. This is a unit price bid and the work will be divided into purchase orders which will average \$20,000 in price. Although the bid from A. M. Stephens was in the amount of \$232,365, the quantities will be increased to use as much of the Community Development Block Grant funds as possible.

Plans and specifications for this project were approved on March 1, 2006. The City received the following three bids for this project on April 5, 2006.

Bidder	Location	Bid
Engineer's Estimate		\$218,252.50
A. M. Stephens Construction	Lodi	\$232,365.00
George Reed, Inc.	Lodi	\$314,755.00
BDS Construction	Chowchilla	\$348,391.00

FISCAL IMPACT: As this project will replace existing curb, gutter and sidewalk with new handicap ramps, there should be no long-term fiscal impact to the City.

FUNDING AVAILABLE: Community Development Block Grant Funds

2005-2006	\$250,000
2006-2007	<u>\$155,000</u>
Project Estimate:	\$405,000

Ruby Paiste, Interim Finance Director

Richard C. Prima, Jr.
Public Works Director

Prepared by Wesley K. Fujitani, Senior Civil Engineer
RCP/WKF/pmf

cc: Steve Schwabauer, City Attorney
George Bradley, Street Superintendent

Joel Harris, Purchasing Officer
Joseph Wood, Community Improvement Manager

APPROVED: _____
Blair King, City Manager

RESOLUTION NO. 2006-_____

A RESOLUTION OF THE LODI CITY COUNCIL
AWARDING THE BID FOR THE 2006
HANDICAP RAMP RETROFIT PROJECT

=====

WHEREAS, in answer to notice duly published in accordance with law and the order of this City Council, sealed bids were received and publicly opened on April 5, 2006, at 11:00 a.m. for the 2006 Handicap Ramp Retrofit Project, described in the specifications therefore approved by the City Council on March 1, 2006; and

WHEREAS, said bids have been compared, checked, and tabulated and a report thereof filed with the City Manager as follows:

<u>Bidder</u>	<u>Location</u>	<u>BID</u>
Engineer's Estimate		\$218,252.50
A.M. Stephens Construction	Lodi	\$232,365.00
George Reed, Inc.	Lodi	\$314,755.00
BDS Construction, Inc.	Chowchilla	\$348,391.00

WHEREAS, staff recommends awarding the bid for the 2006 Handicap Ramp Retrofit Project to the low bidder, A.M. Stephens Construction Company, of Lodi, CA.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council hereby awards the bid for the 2006 Handicap Ramp Retrofit Project to A. M. Stephens Construction Company, of Lodi, CA, the low bidder, in the amount of \$232,365.00.

Dated: June 7, 2006

=====

I hereby certify that Resolution No. 2006-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held June 7, 2006, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

JENNIFER M. PERRIN
Interim City Clerk

2006-_____



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt resolution extending contract for the concession operation at the Adult Softball Complex and Chapman Field to Out of Bounds Concessions of Stockton, CA, for the remainder of the 2006 season (for the period May 1, 2006, to December 31, 2006)

MEETING DATE: June 7, 2006

PREPARED BY: Parks and Recreation Director

RECOMMENDED ACTION: That the City Council adopts a resolution awarding a contract for the concession operation at the Adult Softball Complex and Chapman Field to Out of Bounds Concessions of Stockton, CA, for the 2006 season.

BACKGROUND INFORMATION: The concession building at the Softball Complex, 401 N. Stockton St., is in disrepair. The building's deteriorated condition is due, in part, to age, water leaks from the roof, deferred maintenance, damage from frequent attempts at break-ins, and unsolvable budget constraints.

The San Joaquin County Health Department has approved the location for food service. Concessions are open for high school and adult games, as well as weekend tournaments. Out of Bounds Concessions has been the concession operator at Lodi's adult softball facilities since 2001 and wishes to continue in this role. The previous agreement with the concessionaire included a five-year term; but that contract expired in December of 2005. Due to the poor condition of the concession building and the uncertainty of its ultimate repair, we are not recommending another five-year lease term. Instead, we are recommending the attached contract for the remainder of the 2006 season, with payments of twelve percent (12%) of gross sales to the City. The length of the contract shall be from May 1, 2006, through December 31, 2006.

Each of the agreement participants, Lessor ("City") and Lessee ("Concessionaire") have responsibilities as defined in the contract. The concessionaire, though, is expected to obtain any and all permits and licenses which may be required by law or ordinance in conducting the concessions, pay all applicable taxes and assessments relevant to business operations, and pay a percentage (12%) of gross receipts to the City.

FISCAL IMPACT: Estimated revenue to the City will be approximately \$4,500 for this season.

APPROVED: _____
Blair King, City Manager

FUNDING AVAILABLE: None required

Ruby Paiste, Interim Finance Director

Tony C. Goehring
Parks and Recreation Director

Prepared by Michael Reese, Recreation Supervisor

TCGMR:tl

cc: City Attorney

AGREEMENT

BETWEEN CITY OF LODI AND OUT OF PLAY CONCESSIONS

Concession Operations at Armory Park and Lodi Softball Complex

THIS AGREEMENT, made and entered into this _____ day of _____, 2006 by and between the CITY OF LODI ("City"), and OUT OF PLAY CONCESSIONS ("Concessionaire"):

W I T N E S S E T H:

Concessionaire agrees to operate concession stands at the parks described below in strict compliance with San Joaquin County Health Department standards and requirements for concession operations, and under the following terms and conditions:

Area to be Serviced:

Armory Park, 333 North Washington Street, and Lodi Softball Complex, 401 North Stockton Street, Lodi, CA.

City does hereby grant to Concessionaire the sole and exclusive right/license to vend food, drinks, picnic supplies, souvenirs, and other concession items as approved by the City of Lodi, at the concession stands at the above-described parks, beginning May 1, 2006 and ending December 31, 2006.

The City Will Provide:

1. Enclosed concession stands with some limited city-owned equipment, which Concessionaire will be expected to service and maintain at Concessionaire's sole cost and expense. (Improvements to building and/or facilities, proposed by Concessionaire, are subject to City approval. Cost of installation shall be borne by Concessionaire, and all improvements shall become property of the City upon termination of this agreement).
2. Water, sanitary sewer, gas, electricity, and garbage receptacles outside the concession buildings shall be provided by the City;
3. Maintenance of the general property of the concession buildings, unless abuse and lack of general care is apparent, at which time the cost and expenditures of maintenance shall be borne by the Concessionaire.

Concession Operation Conditions:

1. The length of the contract shall be from May 1, 2006, and ending at midnight on December 31, 2006.
2. Concessionaire agrees to maintain in full force during the term hereof, a policy of general liability insurance which contains an Additional Named Insured Endorsement naming the City of Lodi, its officers, agents, and employees as Additional Insureds, and under which the insurer agrees to indemnify and hold the City of Lodi harmless from and against all costs, expenses, and liability arising out of, or based upon, any and all property damage, or damages for personal or bodily injuries, including death, sustained

in accidents occurring in or about the demised premises; where such accident, damage, or injury, including death, results or is claimed to have resulted, from any act or omission on the part of Concessionaire or Concessionaire's agents or employees in the implementation of this Agreement. The minimum limits of such insurance shall be \$1,000,000 general aggregate. In addition to the Additionally Named Insured Endorsement on Concessionaire's policy of insurance, said insurance policy shall be endorsed to include the following language:

"Such insurance as is afforded by the endorsement for the Additional Insureds shall apply as primary insurance. Any other insurance maintained by the City of Lodi or its officers, agents, and employees shall be excess only and not contributing with the coinsurance afforded by this endorsement."

A duplicate or certificate of said bodily injury and property damage insurance containing the above-stated required endorsement shall be delivered to the Risk Manager after the issuance of said policy, with satisfactory evidence that each carrier is required to give the City of Lodi at least 30 days prior notice of the cancellation or reduction in coverage of any policy during the effective period of this Agreement. The insurance certificate must state on its face or as an endorsement, the name of the Concession that it is insuring. If there has been no such delivery within forty-eight (48) hours prior to the commencement of this Agreement, this Agreement shall be null and void. All requirements herein provided shall appear either in the body of the insurance policy or as endorsements and shall specifically bind the insurance carrier. This paragraph and all other provisions of this Agreement shall apply and be construed as applying to any subtenant of Concessionaire, in the event any such subtenant is allowed under the provisions of paragraph 13 of this agreement.

Notwithstanding other provisions contained in this Agreement, the City Manager is granted the right to immediately terminate the Agreement upon failure on the part of the Concessionaire to keep in full force and effect during the entire term of the agreement, the insurance as set forth in this section.

3. Concessionaire shall, prior to opening for business each year of said Agreement (by April 1 of each year), furnish a "Products and Price Schedule" and shall follow the products and price schedule as negotiated between the City Manager or his representative and Concessionaire.
4. Concessionaire shall provide all equipment and products to operate said concessions. (The City and Concessionaire shall furnish each other with a list of their provided equipment, which lists shall be updated annually).
5. Concessionaire shall pay 12% of gross receipts from Armory Park proceeds, and 12% from the Lodi Softball Complex proceeds, excluding sales taxes to the City of Lodi, which payments shall be due on the tenth (10th) calendar day of every month for sales of the previous month. If said percentage has not been paid by the due dates, there shall be a penalty of five percent (5%) per day for any amounts not paid, and owing to the City. The Concessionaire shall keep accurate records and books of accounts of all purchases and sales, and does hereby give to the City or its authorized agents, the right to examine and audit said books at any time City desires. The Concessionaire shall complete monthly records on forms provided by the City, and these reports shall

accompany gross receipts payments, provided to the City by the tenth (10th) calendar day of each month while concessions are in operation.

In event of loss or damage of foodstuffs or product that is owned by the Concessionaire due to the concession building becoming unusable, or damage from rain or other weather conditions, or mechanical failure of City owned equipment, the Concessionaire may deduct the loss from the net receipts for the month before making payment to the City.

6. The dates and times of operation shall be as follows:
 - A. Concessionaire shall operate from May 1st to November 15th at times commencing one-half hour before City and/or Lodi Unified School District events, and to the conclusion of the last scheduled game or event.
 - B. Saturday/Sunday tournaments or other non-City or Lodi Unified School District games or events, Concessionaire shall open one-half hour prior to the first scheduled game, and remain open until the conclusion of the last scheduled game or event.
7. Concessionaire agrees to obtain at his/her own expense, any and all permits and licenses which may be required by law or ordinance in conducting the concessions, and to pay any and all taxes and assessments which may be assessed against him or her for whatever purposes in the operation of said concessions.
8. Maintenance:

Concessionaire shall keep the concession stands and the immediate surrounding areas in clean and presentable condition at all times and follow the strictest of sanitary conditions, and any State and local ordinances applicable to the business to be conducted. Concessionaire shall be responsible for daily removal from the premises all packaging materials (cartons, boxes, cases) in which food and beverage items are packed. Concessionaire shall be responsible to give the City written notice of any maintenance problems.
9. The rights granted hereunder for concession sales at the identified parks, shall be exclusive to Concessionaire, save and except any special events or national or regional tournament conducted outside the normal course of operation of the above-described facilities, and of which the City Manager or his representative shall give concessionaire thirty (30) days advance notice.
10. Concessionaire is aware that a Possessory Interest Tax is or may be charged each year by the County Assessor for the use of the facilities and that payment of this tax is the responsibility of the vendor.
11. The Parks and Recreation Director reserves the right to approve or disapprove any employee or operator of said concession stand on a basis of such considerations as dress, general cleanliness, and working relationship with the public and staff, as needed to successfully vend food for day-to-day operations, tournaments or special events or activities. (The City will counsel and coordinate this action with Concessionaire manager).

All concession employees will be dressed in like uniforms, white or other light color as approved by the Parks and Recreation Director, and be identified, by name, as employees of Concessionaire. All concession employees shall wear appropriate head attire to meet San Joaquin County Health Department requirements, and shall be clean at all times.

12. The City reserves the right to enter upon the premises at any reasonable time to inspect the operation and equipment thereon, or for any other purpose.
13. Concessionaire shall not have the right to sell, mortgage, assign or sublet the contract/agreement or any part thereof without the prior written consent of the City Manager or his representative. A breach of this condition shall automatically terminate any contract or agreement between City and Concessionaire. (In the event that Concessionaire is unable to provide required concession products and/or services for special events, the City shall have the right to secure said services and/or food and beverage products, and to negotiate any and all agreements or contracts to provide said services and/or food and beverage products for sale to the public, and all proceeds therefrom shall be forfeited to the City. Said original Concessionaire shall have first right of refusal to participate in said negotiations).
14. The City reserves the right, during national tournaments or other special events, to permit the approved operation of additional concessions not in conflict with Concessionaire's normal product line of food and beverages. Rights to the sale or distribution of programs, photo packages, clothing souvenirs and advertisements of any kind or form for said tournaments or special events shall remain solely and exclusively the property of the City at all times prior to, during, and after said events.
15. Alcoholic Beverages:
 - a.) The sale of alcoholic beverages shall be limited to beer, selection of which shall include at least one premium brand, and shall be subject to approval of the City;
 - b.) The sale of alcoholic beverages shall be subject to all local, state, and federal laws, and Concessionaire shall bear full responsibility for knowledge of, and compliance with, such laws.
 - c.) Concessionaire agrees that no alcoholic beverages will be sold at any time during regional or national youth softball tournaments.
16. Staffing:

Armory Park:	Concessionaire shall provide a minimum staff of at least one (1) person at all times during all scheduled events;
Softball Complex:	Concessionaire shall provide a minimum staff of two (2) persons at all times during all high school games and all

weekday City League games, and three (3) persons during weekend games and all tournaments and special events.

Changes in minimum staffing levels may be renegotiated if City and Concessionaire agree that such changes will have no adverse effect on quality or level of service, or on quality of food served.

17. The Concessionaire shall be responsible for the security of the concession stands and any storage buildings assigned to his/her exclusive use, including but not limited to the installation of locks on doors or windows, or installation of an alarm system if it is deemed necessary, and Concessionaire shall be responsible for any acts of vandalism to Concessionaire's equipment and/or inventory.
18. At the conclusion or termination of any stated agreement or contract, Concessionaire shall surrender said concession premises in a condition as good as that in which they received same, less normal wear and tear. Damage to or mistreatment of the buildings or City equipment shall be the responsibility of the Concessionaire to repair, replace, or reimburse the City for the repairs or replacements. Concessionaire shall remove all of its personal property from the premises prior to said termination. If Concessionaire fails to so remove its personal property, City shall be entitled to remove and store said personal property at Concessionaire's expense.
19. The agreement/contract may be terminated by written agreement of either party hereto without cause upon thirty (30) days' written notice to the other party. Such notice shall be delivered to the City Manager's office, City Hall, 221 West Pine Street, Lodi, or to the Concessionaire at a premises which is subject to this agreement.
20. Concessionaire shall be required to provide to the City upon the signing of this agreement a Performance Bond in the amount of \$2,500.00.
21. If Concessionaire defaults in any of the terms contained herein, the Concessionaire's agreement to provide service as specified herein shall terminate upon failure of Concessionaire to correct the default within thirty (30) days of receiving written notice thereof from the City. Upon any termination thereof, Concessionaire agrees to quit and surrender possession peaceably and City shall have the right to remove Concessionaire and all others occupying through or under this agreement. Under such termination of agreement the Concessionaire's performance bond shall be forfeited to the City for payment of all outstanding debts owed by Concessionaire to the City, including monthly payment(s) and any and all reimbursements for repairs or replacement of the facilities.
22. In the event that either party brings an action under this Agreement for the breach or enforcement thereof, the prevailing party in such action shall be entitled to its reasonable attorneys' fees and costs, whether or not such action is prosecuted to judgment.

IN WITNESS WHEREOF, the parties hereto have hereunder set their hands the day and year first hereinabove written.

CITY OF LODI, a municipal
Corporation

CONCESSIONAIRE,
OUT OF PLAY CONCESSIONS

By: _____
BLAIR KING
City Manager

By: _____
DEBRA STILES
2196 Piccardo Circle
Stockton, California 95207

ATTEST:

SUSAN J. BLACKSTON, City Clerk

Approved as to Form:

D. STEPHEN SCHWABAUER
City Attorney

RESOLUTION NO. 2006-_____

A RESOLUTION OF THE LODI CITY COUNCIL
AWARDING THE CONTRACT FOR
CONCESSION OPERATIONS AT THE ADULT
SOFTBALL COMPLEX AND CHAPMAN FIELD

=====

NOW, THEREFORE, BE IT RESOLVED, that the Lodi City Council does hereby award the contract for concession operations at the Adult Softball Complex and Chapman Field to Out of Bounds Concessions, of Stockton, CA, for the period May 1, 2006 through December 31, 2006, for a return of 12% of gross sales from each Concession operation to the City of Lodi.

Dated: June 7, 2006

=====

I hereby certify that Resolution No. 2006-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held June 7, 2006 by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

JENNIFER M. PERRIN
Interim City Clerk

2006-_____



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution Approving Six-Month Extension of Lease of Maple Square, 2 East Lodi Avenue (for the Period of June 30, 2006 to December 31, 2006)

MEETING DATE: June 7, 2006

PREPARED BY: Public Works Director

RECOMMENDED ACTION: That the City Council adopt a resolution approving a six-month extension of the lease of Maple Square, 2 East Lodi Avenue, for the period of June 30, 2006 to December 31, 2006.

BACKGROUND INFORMATION: The existing two-year lease with Alcoholics Anonymous for the use of the Maple Square Firehouse originally concluded on December 31, 2005. The lease, however, reads that the "Lease may be extended by mutual agreement, and with City Council approval, for an additional term as specified". Therefore, the lease was extended for a period of six months to June 30, 2006, by Council at their regular meeting on December 7, 2005.

Staff is now requesting the lease term be extended for an additional six (6) months, to December 31, 2006, and that all other terms and conditions of the lease remain the same. Consideration will be given as to the long-term plan for this property, among others, during this extension as part of "Project Opportunity".

FISCAL IMPACT: No Change. Minimal rent is received from Alcoholics Anonymous for the facility, at \$100 per month.

FUNDING AVAILABLE: Not Applicable.

Richard C. Prima, Jr.
Public Works Director

Prepared by Dennis J. Callahan, Fleet and Facilities Manager

RCP/DJC/pmf

cc: Steve Schwabauer, City Attorney
Mark Zollo, Facilities Supervisor
Dino Radotic, Alcoholics Anonymous

APPROVED: _____
Blair King, City Manager

RESOLUTION NO. 2006-_____

A RESOLUTION OF THE LODI CITY COUNCIL
APPROVING EXTENSION OF LEASE OF MAPLE
SQUARE, 2 EAST LODI AVENUE

=====

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby approve extension of lease for Maple Square located at 2 East Lodi Avenue, with Alcoholics Anonymous, in care of Dino Radotic; and

BE IT FURTHER RESOLVED that the extension will be for a period of six (6) months, July 1, 2006 through December 31, 2006, and all other terms and conditions of the lease shall remain the same.

Dated: June 7, 2006

=====

I hereby certify that Resolution No. 2006-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held June 7, 2006, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

JENNIFER M. PERRIN
Interim City Clerk

2006-_____



CITY OF LODI

COUNCIL COMMUNICATION

TM

AGENDA TITLE: Adopt resolution authorizing the Northern California Power Agency to enter into a sale of a portion of Lodi's rights to combustion turbine capacity in the CT1 Project to the City of Roseville, CA for a four month period beginning July 1, 2006 (EUD)

MEETING DATE: June 7, 2006

PREPARED BY: Electric Utility Director

RECOMMENDED ACTION: That the City Council adopt a resolution authorizing the Northern California Power Agency (NCPA) to enter into a sale of a portion of Lodi's rights to combustion turbine capacity in the CT1 Project to the City of Roseville, CA for a four month period beginning July 1, 2006.

BACKGROUND INFORMATION: The City of Lodi, and certain other NCPA members, have an entitlement in a total of five 25 megawatt combustion units located in Alameda (2 units), Roseville (2 units) and Lodi (1 unit). These five generating units comprise the "CT 1 Project". The City of Roseville has requested to purchase the entire output of one of the two units located in Roseville from the other NCPA members with entitlement in these units. (Lodi has rights to 34.78% of each CT1 Project unit.) This request results in part from the fact that the Roseville units are now part of the Western Area Power Administration sub-control area (as is Roseville's electric network) while all other CT 1 Project participants are located in the separate CAISO control area.

At its recent May 25 Commission meeting, NCPA received approval of a resolution giving the NCPA General Manager authority to develop and execute a CT 1 Project sales contract with Roseville on behalf of NCPA members in the CT 1 Project (see attached draft NCPA memorandum and resolution). In addition to this authorization, however, NCPA's General Counsel has determined that CT 1 Project participants whose governing body have not previously delegated general power sales/purchase authority to their utility director or City Manager, such as Lodi, obtain direct authorization for the proposed transaction.

The Electric Utility Department has reviewed the proposed transaction and determined that the CT1 capacity proposed to be sold to the City of Roseville from July 1, 2006 to October 30, 2006 is surplus to its needs. The electrical output of the CT1 project is far more expensive than the bulk power market and EUD has previously obtained market energy to meet the preponderance of its projected power needs during this period.

The terms of the Roseville combustion turbine sale are still being finalized, however, the proposed transaction is expected to begin July 1, 2006 and extend for four months. The price for the capacity sold would reflect market conditions for peaking capacity -- presently estimated to be \$3.00 per kilowatt-month. Based on Lodi's 34.78% interest in the CT 1 Project, projected revenue to Lodi for this transaction would total about \$90,500 in FY07.

FISCAL IMPACT: Possible revenue of about \$90,500 to the electric fund in FY07.

FUNDING AVAILABLE: Not applicable.

Ruby Paiste, Interim Finance Director

George F. Morrow, Electric Utility Director

APPROVED: _____
Blair King, City Manager

A RESOLUTION OF THE LODI CITY COUNCIL AUTHORIZING THE NORTHERN CALIFORNIA POWER AGENCY (NCPA) TO ENTER INTO A SALE OF A PORTION OF LODI'S RIGHTS TO COMBUSTION TURBINE CAPACITY IN THE CT1 PROJECT TO THE CITY OF ROSEVILLE, CALIFORNIA FOR A FOUR-MONTH PERIOD BEGINNING JULY 1, 2006.

=====

WHEREAS, the City of Lodi, and certain other NCPA members, have an entitlement in a total of five (5) 25 megawatt combustion units located in Alameda (2 units), Roseville (2 units) and Lodi (1 unit); and

WHEREAS, these five generating units comprise the "CT 1 Project"; and

WHEREAS, the City of Roseville has requested to purchase the entire output of the two units located in Roseville from the other NCPA members with entitlement in these units; and

WHEREAS, this request results in part from the fact that the Roseville units are now part of the Western Area Power Administration sub-control area (as is Roseville's electric network) while all other CT 1 Project participants are located in the CAISO control area; and

WHEREAS, at its May 25, 2006 Commission meeting, NCPA received approval of a resolution giving the NCPA General Manager authority to develop and execute a CT 1 Project sales contract with Roseville on behalf of NCPA members in the CT 1 Project; and

WHEREAS, NCPA's General Counsel has determined that CT 1 Project participants whose governing body have not previously delegated general power sales/purchase authority to their Utility Director or City Manager, such as Lodi, obtain direct authorization for the proposed transaction; and

WHEREAS, the Electric Utility Department has reviewed the proposed transaction and determined that the CT1 capacity proposed to be sold to the City of Roseville from July 1, 2006 to October 30, 2006 is surplus to its needs; and

WHEREAS, the terms of the Roseville combustion turbine sale are still being finalized, with the proposed transaction expected to begin July 1, 2006 and extend for four months; and

WHEREAS, the price for the capacity sold would reflect market conditions for peaking capacity -- presently estimated to be \$3.00 per kilowatt-month. Based on Lodi's 34.78% interest in the CT 1 Project, projected revenue to Lodi for this transaction would total about \$90,500 in Fiscal Year 2007.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby authorize the Northern California Power Agency (NCPA) to enter into a sale of a portion of Lodi's rights to combustion turbine capacity in the CT1 Project to the City of Roseville, California for a four-month period beginning July 1, 2006.

Dated: June 7, 2006

=====

I hereby certify that Resolution No. 2006-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held June 7, 2006, by the following vote:

AYES: COUNCIL MEMBERS –
NOES: COUNCIL MEMBERS –
ABSENT: COUNCIL MEMBERS –
ABSTAIN: COUNCIL MEMBERS –

JENNIFER M. PERRIN
Interim City Clerk



CITY OF LODI

COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution Approving Destruction of Certain Finance Department Records

MEETING DATE: June 7, 2006

PREPARED BY: Finance Director

RECOMMENDED ACTION: That the City Council adopt resolution approving the destruction of the hereinafter-listed City of Lodi records.

BACKGROUND INFORMATION: In accordance with Government Code, section 34090, permission is requested to destroy the following obsolete City records:

- | | | |
|-----|------------------------------------|-----------|
| 1. | Next Step/Leave Balance | 2003 |
| 2. | Payroll Edit Registers | 2003 |
| 3. | Payroll Journal Detail | 2003 |
| 4. | Payroll Integrity Reports | 2003 |
| 5. | Payroll Voucher Detail | 2003 |
| 6. | Payroll Check Registers | 2003 |
| 7. | Wage Attachment Report | 2003 |
| 8. | Overtime Cards | 2000-2002 |
| 9. | Accounts Payable Final Post | 2002-2003 |
| 10. | Accounts Payable Payment Register | 2002-2003 |
| 11. | Accounts Payable Payment Group | 2002-2003 |
| 12. | Accounts Payable Cash Requirements | 2002-2003 |
| 13. | Accounts Payable Posting Edit | 2002-2003 |
| 14. | Accounts Payable Edit Report | 2002-2003 |
| 15. | Collectors Daily Reports | 2002-2003 |
| 16. | Miscellaneous Journal Entries | 1999-2000 |
| 17. | Wire Transfers | 2003 |
| 18. | Inventory | 1999-2003 |
| 19. | Purchasing Purchase Orders | 1992 |
| 20. | Business Tax Applications | 1999-2001 |
| 21. | Daily CIS Postings & Journals | 1999-2001 |

FUNDING AVAILABLE: None

Ruby Paiste, Interim Finance Director

APPROVED: _____
Blair King, City Manager

RESOLUTION NO. 2006-_____

A RESOLUTION OF THE LODI CITY COUNCIL
AUTHORIZING DESTRUCTION OF CERTAIN RECORDS
RETAINED BY THE FINANCE DEPARTMENT

=====

WHEREAS, in accordance with Government Code Section 34090, the City Attorney has filed his written consent to the destruction of certain records retained by the Finance Department, an inventory of which is attached hereto, marked Exhibit A, and made a part hereof.

NOW, THEREFORE, BE IT RESOLVED by the Lodi City Council that:

1. The records heretofore identified are no longer required.
2. The Lodi City Council finds that the City Attorney has given his written consent to the destruction of the records inventoried on Exhibit A attached hereto and the destruction of those records is hereby authorized.

Dated: June 7, 2006

=====

I hereby certify that Resolution No. 2006-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held June 7, 2006, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

JENNIFER M. PERRIN
Interim City Clerk

2006-_____

EXHIBIT A

**INVENTORY OF CERTAIN RECORDS RETAINED BY THE FINANCE
DEPARTMENT REQUESTED TO BE DESTROYED PURSUANT TO
GOVERNMENT CODE SECTION 34090**

=====

RECORDS TO BE DESTROYED 2006

1	Next Step/Leave Balance	2003
2	Payroll Edit Registers	2003
3	Payroll Journal Detail	2003
4	Payroll Integrity Reports	2003
5	Payroll Voucher Detail	2003
6	Payroll Check Registers	2003
7	Wage Attachment Report	2003
8	Overtime Cards	2000-2002
9	Accounts Payable Final Post	2002-2003
10	Accounts Payable Payment Register	2002-2003
11	Accounts Payable Payment Group	2002-2003
12	Accounts Payable Cash Requirements	2002-2003
13	Accounts Payable Posting Edit	2002-2003
14	Accounts Payable Edit Report	2002-2003
15	Collectors Daily Reports	2002-2003
16	Misc Journal Entries	1999-2000
17	Wire Transfers	2003
18	Inventory	1999-2003
19	Purchasing Purchase Orders	1992
20	Business Tax Applications	1999-2001
21	Daily CIS Postings & Journals	1999-2001

Dated: _____

RUBY PAISTE
Acting Finance Director

APPROVED FOR DESTRUCTION:

D. STEPHEN SCHWABAUER
City Attorney, City of Lodi

Dated: _____



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution Ratifying the San Joaquin Council of Governments' Annual Financial Plan for Fiscal Year 2006/07

MEETING DATE: June 7, 2006

PREPARED BY: Public Works Director

RECOMMENDED ACTION: That the City Council adopt a resolution ratifying the 2006/07 Annual Financial Plan (AFP) for the San Joaquin Council of Governments (COG).

BACKGROUND INFORMATION: Attached is a summary of COG's AFP for fiscal year 2006/07. The COG Board adopted the AFP on April 27, 2006. Pursuant to COG's Joint Powers Agreement, the budget is to be ratified by the City of Lodi following adoption by the COG Board.

Staff would like to acknowledge both the importance of the work COG performs and the significant and excellent assistance their staff provides in delivering transportation projects in the City and the entire County.

FISCAL IMPACT: This is the operating plan for COG. COG oversees Measure K funding for several projects in Lodi, including street maintenance and Transit, as well as the administration of several federal funding sources.

FUNDING AVAILABLE: Not applicable.

Richard C. Prima, Jr.
Public Works Director

Prepared by Tiffani M. Fink, Transportation Manager

RCP/TF/pmf

Attachment

cc: D. Stephen Schwabauer, City Attorney
Steve Dial, COG Deputy Executive Director/Chief Financial Officer

APPROVED: _____
Blair King, City Manager



SAN JOAQUIN COUNCIL OF GOVERNMENTS

555 E. Weber Avenue • Stockton, California 95202

209.468.3913 • 209.468.1084 (fax)

www.sjcog.org

May 1, 2006

Gary L. Haskin
CHAIR

John Harris
VICE CHAIR

Andrew T. Chesley
EXECUTIVE DIRECTOR

Member Agencies

CITIES OF
ESCALON,
LATHROP,
LODI,
MANTECA,
RIPON,
STOCKTON,
TRACY,
AND
THE COUNTY OF
SAN JOAQUIN

Mr. Blair King
City of Lodi
P.O. Box 3006
Lodi, CA 95241-1910

Dear Mr. King:

Enclosed is a summary of the San Joaquin Council of Governments' Annual Financial Plan (AFP) for Fiscal Year 2006-2007. The Board unanimously adopted the Plan on April 27, 2006. A copy of the adopting resolution is enclosed. Pursuant to SJCOG's Joint Powers Agreement, following adoption of the budget by the SJCOG Board, it is to be delivered to member agencies for ratification by each governing body. Therefore, SJCOG requests you place SJCOG's Annual Financial Plan for Fiscal Year 2006-2007 on a forthcoming agenda prior to June 30, 2006 for your Council's approval.

The Annual Financial Plan implements the FY 2006-2007 Overall Work Program (OWP) that was also adopted by the SJCOG Board on April 27, 2006.

The attached Annual Financial Plan provides a detail of expenditures by cost category and line item comparing the proposed budgets with the current year (FY 2005/06) adopted budget (as amended) and the actual expenditures for FY 2004/05. The following assumptions are incorporated in the budget:

1. Work will not begin and expenses will not be incurred unless anticipated revenue sources are secured.
2. SJCOG anticipates being fully staffed for the entire fiscal year, therefore the Salaries and Benefits cost category is fully funded. No additional staff is being requested.
3. Duplicating the process from previous years, 7% of total current salaries is included in Salaries and Benefits for the pay for performance pool (approximately \$128,000).

MAY 05 2006
CITY MANAGER'S OFFICE

REVENUES

SJCOG operating revenues are down 3.4% or \$220,025 lower. Overall, federal funding for operating is decreased 2.2% from 2005/06 due to the completion or drawdown on several projects. However, two key federal funding sources, Federal Highways planning funds (FHWA PI) and Federal Transit Metropolitan Planning Organization funds have increased 24% and 27% respectively. Further, staff is not anticipating obligating any additional FHWA PI funds beyond the current year's obligation. State funding sources are down nearly 24% due to the completion of several planning projects. Local revenues are 5.6% higher due to increased revenues from the Local Transportation Fund and Measure K.

Transportation Development Act funding increases \$58,500 due to the increase in Local Transportation Fund revenue estimate. Measure K project management funding is increased \$53,750. The 1% Measure K administration funding increases \$53,800 based upon the increase in the annual revenue estimate.

EXPENDITURES

Salaries and Benefits are proposed to increase 8.4%. Salaries increase 8.34% and benefits increase 8.77%.

Services and Supplies is proposed to be 2.1% higher than the current year.

Office expense is increased 7.6% primarily for software upgrades and acquisitions.

Communications is maintained at last year's level.

Memberships is maintained at last year's level.

Maintenance – Equipment is reduced 25% reflecting actual experience.

Rents and leases – Equipment is reduced 1.8% reflecting the return of the Executive Director's car.

Transportation and Travel is maintained at the current level.

Allocated service cost is increased 160% due to the cost allocations of San Joaquin County.

Publications and legal notices increased by 18.4% reflecting additional public notice and outreach requirements.

Insurance is increased by 14.9% for premium increases.

Building and maintenance is decreased 16.7% reflecting actual experience.

Rent – structures and grounds is increased slightly by 5% due to the increasing interest rates on the debt service of the building financing.

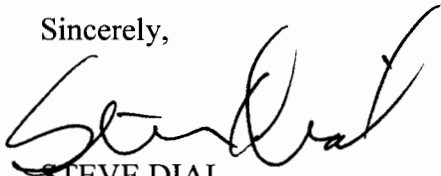
Professional Services is decreased 16.9% reflecting the completion or partial completion of a number of planning projects.

Fixed Assets is increased to fund additional computer upgrades primarily with respect to GIS and mapping.

SJCOG staff would be pleased to appear before your policymakers to answer any questions they might have regarding this matter. **We request ratification prior to Friday, June 30, 2006.** Please let me know when this will be on your agenda. If you have any questions regarding this matter, don't hesitate to contact me at 468-3913.

Thank you for your assistance.

Sincerely,



STEVE DIAL

Deputy Executive Director/Chief Financial Officer



RESOLUTION
SAN JOAQUIN COUNCIL OF GOVERNMENTS

R-06-38

RESOLUTION APPROVING THE ADOPTION OF THE 2006-2007
ANNUAL FINANCIAL PLAN
FOR THE SAN JOAQUIN COUNCIL OF GOVERNMENTS

WHEREAS, the San Joaquin Council of Governments is required by the Joint Powers Agreement to adopt a budget (Annual Financial Plan) annually, and

WHEREAS, the adopted budget is to be sent to the member agencies for ratification.

NOW THEREFORE BE IT RESOLVED, that the San Joaquin Council of Governments adopts the FY 2006-2007 Annual Financial Plan and directs the Executive Director to transmit it to the member agencies for ratification.

PASSED AND ADOPTED this 27th day of April 2006, by the following vote of the San Joaquin Council of Governments, to wit:

AYES: Councilman Harris, Manteca; Mayor Bilbrey, Tracy;
Mayor Chavez, Stockton; Chairman Haskin, Escalon;
Supervisor Sieglock, San Joaquin County; Mayor Rhodes,
Lathrop; Supervisor Mow, San Joaquin County; Vice
Mayor Giovanetti, Stockton; Mayor Hitchcock, Lodi;
Mayor Winn, Ripon; Councilman Bestolarides, Stockton;
Supervisor Ornellas, San Joaquin County.

NOES: None

ABSENT: None



GARY L. HASKIN
Chair

San Joaquin Council of Governments
ANNUAL FINANCIAL PLAN
Adopted April 27, 2006

CHAIR

Councilmember Gary Haskin, City of Escalon

VICE-CHAIR

Councilmember John Harris, City of Manteca

BOARD OF DIRECTORS

Vice Mayor Gary Giovanetti, Immediate Past Chair	City of Stockton
Mayor Gloryanna Rhodes	City of Lathrop
Councilmember Larry Hansen	City of Lodi
Mayor Chuck Winn	City of Ripon
Supervisor Jack Sieglock	County of San Joaquin
Supervisor Victor Mow	County of San Joaquin
Supervisor Leroy Ornellas	County of San Joaquin
Mayor Ed Chavez	City of Stockton
Councilmember Dan Chapman	City of Stockton
Mayor Dan Bilbrey	City of Tracy

EX OFFICIO DIRECTORS

Kome Ajise	Caltrans District 10
Duane Isetti	San Joaquin Regional Transit District
Ron Coale	Port of Stockton

SUBMITTED BY:

Andrew T. Chesley
Executive Director

Steve Dial
Deputy Executive Director/
Chief Financial Officer

San Joaquin Council of Governments
ANNUAL FINANCIAL PLAN
Fiscal Year 2006/07
Proposed April 27, 2006

	FY 2004-05	FY 2005-06	FY 2006-07	%
REVENUES	Actual	Amend. 2 2/23/06	Adopted 4/27/06	Change
Federal Grants	\$1,385,623	\$2,616,585	\$2,558,680	-2.2%
State Grants	\$705,075	\$1,286,315	\$984,551	-23.5%
Local	\$1,913,939	\$2,491,348	\$2,630,992	5.6%
Interest	\$29,819	\$10,000	\$10,000	0.0%
Other	\$0	\$30,000	\$30,000	0.0%
SJCOG OPERATING REVENUES	\$4,034,456	\$6,434,248	\$6,214,223	-3.4%
Federal Pass-Through	\$30,500,000	\$64,209,000	\$64,209,000	0.0%
State Pass-Through	\$1,200,000	\$66,825,585	\$66,767,680	-0.1%
Local Pass-Through	\$62,546,000	\$69,288,000	\$104,865,500	51.3%
Commercial Paper	\$97,000,000	\$167,000,000	\$167,000,000	0.0%
TOTAL SJCOG REVENUE	\$195,280,456	\$373,756,833	\$409,056,404	9.4%
EXPENDITURES				
Salaries & Benefits	\$2,249,156	\$2,589,721	\$2,807,071	8.4%
Services & Supplies	\$544,476	\$1,025,800	\$1,046,850	2.1%
Office Expense	\$142,559	\$228,800	\$246,150	7.6%
Communications	\$51,176	\$48,000	\$48,000	0.0%
Memberships	\$21,036	\$29,000	\$29,000	0.0%
Maintenance - Equipment	\$1,584	\$10,000	\$7,500	-25.0%
Rents & Leases - Equipment	\$95,583	\$165,000	\$162,000	-1.8%
Transportation, Travel & Training (In & Out of State)	\$103,662	\$100,000	\$100,000	0.0%
Allocated Service Cost	\$0	\$2,000	\$5,200	160.0%
Publications & Legal Notices	\$7,317	\$19,000	\$22,500	18.4%
Insurance	\$58,416	\$74,000	\$85,000	14.9%
Building Maintenance	\$19,817	\$120,000	\$100,000	-16.7%
Rents - Structures & Grounds	\$43,326	\$230,000	\$241,500	5.0%
Professional Services	\$1,068,445	\$2,768,173	\$2,299,802	-16.9%
Fixed Assets	\$172,363	\$50,500	\$60,500	19.8%
Unallocated/Reserve	\$16	\$54	\$0	-100.0%
SJCOG OPERATING EXPENDITURES	\$4,034,456	\$6,434,248	\$6,214,223	-3.4%
Pass-Through	\$191,246,000	\$302,726,808	\$312,661,917	3.3%
TOTAL SJCOG EXPENDITURES	\$195,280,456	\$373,756,833	\$409,056,404	9.4%
Excess (Deficit) Revenues	\$0	\$0	\$0	(\$0)
Over Expenditures (Operating)				

RESOLUTION NO. 2006-_____

A RESOLUTION OF THE LODI CITY
COUNCIL RATIFYING THE SAN JOAQUIN
COUNCIL OF GOVERNMENTS' (SJCOG)
2006-07 ANNUAL FINANCIAL PLAN

=====

WHEREAS, the San Joaquin Council of Governments (SJCOG) has approved its Fiscal Year 2006-07 Budget by adopting Resolution No. R-06-38 as shown on the attached, marked Exhibit A; and

WHEREAS, SJCOG is required to forward such Resolution to its member governments for their review and ratification.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council hereby ratifies the 2006-07 Annual Financial Plan for SJCOG.

Dated: June 7, 2006

=====

I hereby certify that Resolution Nb. 2006-_____ was passed and adopted by the Lodi City Council in a regular meeting held June 7, 2006, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

JENNIFER M. PERRIN
Interim City Clerk

2006-_____



RESOLUTION
SAN JOAQUIN COUNCIL OF GOVERNMENTS

R-06-38

RESOLUTION APPROVING THE ADOPTION OF THE 2006-2007
ANNUAL FINANCIAL PLAN
FOR THE SAN JOAQUIN COUNCIL OF GOVERNMENTS

WHEREAS, the San Joaquin Council of Governments is required by the Joint Powers Agreement to adopt a budget (Annual Financial Plan) annually, and

WHEREAS, the adopted budget is to be sent to the member agencies for ratification.

NOW THEREFORE BE IT RESOLVED, that the San Joaquin Council of Governments adopts the FY 2006-2007 Annual Financial Plan and directs the Executive Director to transmit it to the member agencies for ratification.

PASSED AND ADOPTED this 27th day of April 2006, by the following vote of the San Joaquin Council of Governments, to wit:

AYES: Councilman Harris, Manteca; Mayor Bilbrey, Tracy;
Mayor Chavez, Stockton; Chairman Haskin, Escalon;
Supervisor Sieglock, San Joaquin County; Mayor Rhodes,
Lathrop; Supervisor Mow, San Joaquin County; Vice
Mayor Giovanetti, Stockton; Mayor Hitchcock, Lodi;
Mayor Winn, Ripon; Councilman Bestolarides, Stockton;
Supervisor Ornellas, San Joaquin County.

NOES: None

ABSENT: None


GARY L. HASKIN
Chair

Comments by the public on non-agenda items

THE TIME ALLOWED PER NON-AGENDA ITEM FOR COMMENTS MADE BY THE PUBLIC IS LIMITED TO FIVE MINUTES.

The City Council cannot deliberate or take any action on a non-agenda item unless there is factual evidence presented to the City Council indicating that the subject brought up by the public does fall into one of the exceptions under Government Code Section 54954.2 in that (a) there is an emergency situation, or (b) the need to take action on the item arose subsequent to the agenda's being posted.

Unless the City Council is presented with this factual evidence, the City Council will refer the matter for review and placement on a future City Council agenda.

Comments by the City Council Members on non-agenda items



CITY OF LODI

COUNCIL COMMUNICATION

AGENDA TITLE: Public Hearing to Consider Adopting Resolution Implementing Previously-Authorized CPI-Based Water and Wastewater Rates

MEETING DATE: June 7, 2006

PREPARED BY: Public Works Director

RECOMMENDED ACTION: That the City Council conduct a public hearing to consider adopting a resolution implementing previously-authorized CPI-based water and wastewater rates and following the public hearing, adopt the rate resolution.

BACKGROUND INFORMATION: In the spring of 2004, the City Council approved rate increases for water and wastewater services. The City-wide public notification and resolution passed at that time included provisions for future rate adjustments based on the Consumer Price Index (CPI).

Resolution No. 2004-77 states that the index to be used shall be the San Francisco-Oakland-San Jose CPI for all items (unadjusted) and the rate increase shall not exceed the percentage change in the CPI index since the previous adjustment. The price index for December 2004 was 199.5 and 203.4 for December 2005, which translates to 1.95%. This increase on all water and wastewater service charges results in adjusted water rates as shown on the attached tables. The rate increase is on all water and wastewater service charges, except for the PCE/TCE charges under water service. (The PCE/TCE rate analysis included a cost inflation allowance in establishing those increases with the three-step increase.) The monthly increase amount for a three-bedroom home is \$0.52 for water and \$0.49 for wastewater. The effective date of the increase is July 1, 2006.

FISCAL IMPACT: Increased annual water and wastewater fund revenue (approximately \$140,000 and \$150,000, respectively). The additional revenue is needed to help keep pace with increased costs of supplies, materials, and fuel, as well as other operational and capital costs.

FUNDING AVAILABLE: Not applicable.

Richard C. Prima, Jr.
Public Works Director

Prepared by Rebecca Areida, Management Analyst

RCP/RA/pmf

Attachments

cc: Steve Mann, Information Systems Manager

APPROVED: _____
Blair King, City Manager

RESOLUTION NO. 2006-_____

A RESOLUTION OF THE LODI CITY COUNCIL
IMPLEMENTING PREVIOUSLY-AUTHORIZED
CPI-BASED WATER AND WASTEWATER RATES

=====

WHEREAS, in the spring of 2004, the City Council approved rate increases for water and wastewater services; and

WHEREAS, the city-wide public notification and resolution passed at that time included provisions for future rate adjustments based on the Consumer Price Index (CPI); and

WHEREAS, Resolution No. 2004-77 states that the index to be used shall be the San Francisco-Oakland-San Jose CPI for all items (unadjusted) and the rate increase shall not exceed the percentage change in the CPI index since the previous adjustment; and

WHEREAS, the price index for December 2004 was 199.5 and 203.4 for December 2005, which translates to 1.95%; and

WHEREAS, this increase on all water and wastewater service charges results in adjusted water rates as shown on the attached tables marked Exhibit A and Exhibit B. The rate increase is on all water and wastewater service charges, except for the PCE/TCE charges under water service. (The PCE/TCE rate analysis included a cost inflation allowance in establishing those increases with the three-step increase.) The monthly increase amount for a three-bedroom home is \$0.52 for water and \$0.49 for wastewater; and

WHEREAS, the effective date of the increase is July 1, 2006.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council hereby implements the previously-authorized CPI-based water and wastewater rates as shown on the attached tables marked Exhibit A and Exhibit B.

Dated: June 7, 2006

=====

I hereby certify that Resolution No. 2006-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held June 7, 2006, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

JENNIFER M. PERRIN
Interim City Clerk

2006-_____

City of Lodi Water Utility
Proposed Water Rates

Single-Family Residential	Current Rates				Rates Effective 7/1/2006			
	Base	Infr.	PCE/TCE	Monthly Total	Base	Infr.	PCE/TCE (2nd step)	Monthly Total
1 BR - House	13.67	4.97	2.43	21.07	13.94	5.07	4.86	23.87
2 BR - House	16.41	5.97	2.92	25.30	16.73	6.09	5.84	28.66
3 BR - House	19.68	7.15	3.50	30.33	20.06	7.29	7.00	34.35
4 BR - House	23.64	8.60	4.20	36.44	24.10	8.77	8.41	41.28
5 BR - House	28.36	10.32	5.04	43.72	28.91	10.52	10.09	49.52
6 BR - House	34.03	12.38	6.05	52.46	34.69	12.62	12.10	59.41
7 BR - House	40.82	14.85	7.26	62.93	41.62	15.14	14.52	71.28
Multi-Family Residential								
1 BR - APT	11.73	4.27	2.09	18.09	11.96	4.35	4.17	20.48
2 BR - APT	14.07	5.12	2.50	21.69	14.34	5.22	5.00	24.56
3 BR - APT (1)	16.88	6.14	3.00	26.02	17.21	6.26	6.00	29.47
Flat Rate Commercial/Industrial Customers - Varies, Increase all by 1.95% except PCE/TCE surcharge								
Metered Rate (2)	Base	Infr. \$/ccf	PCE/TCE	Total	Base	Infr. \$/ccf	PCE/TCE	Total
Commodity Charge per 100 cu. Ft.	0.490	0.233		0.723	0.500	0.238		0.738
monthly charge								
Comm. 5/8"	14.35		3.19	17.54	14.63		6.37	21.00
Comm. .75"	15.77		3.50	19.27	16.08		7.00	23.08
Comm. 1"	23.65		5.25	28.90	24.11		10.51	34.62
Comm. 1.5"	31.53		7.00	38.53	32.14		14.00	46.14
Comm. 2"	39.42		8.76	48.18	40.19		17.51	57.70
Comm. 3"	55.19		12.26	67.45	56.27		24.51	80.78
Comm. 4"	70.96		15.76	86.72	72.34		31.52	103.86
Comm. 6"	102.50		22.77	125.27	104.50		45.53	150.03
Comm. 8"	134.06		29.75	163.81	136.67		59.50	196.17
Comm. 10"	165.60		36.75	202.35	168.83		73.50	242.33
Construction Water Charges per 100 cu. Ft.	0.723				0.738			

(1) plus 20% for each additional bedroom

(2) Monthly total for metered commercial customers depends on amount of water used

(3) Established City Utility Discr

City of Lodi Wastewater Utility
Proposed Wastewater Rates

	Current Rates			Rates Effective 7/1/2006		
	Base	Infr.	Monthly Total	Base	Infr.	Monthly Total
Residential						
1 BR	10.81	4.39	15.20	11.02	4.47	15.49
2 BR	14.41	5.85	20.26	14.69	5.96	20.65
3 BR	18.05	7.31	25.36	18.36	7.45	25.81
4 BR	21.65	8.78	30.43	22.04	8.94	30.98
5 BR	25.25	10.24	35.49	25.71	10.43	36.14
6 BR	28.85	11.70	40.55	29.38	11.92	41.30
7 BR	32.47	13.16	45.63	33.05	13.41	46.46

Moderate Strength (annual per SSU)	243.12	247.80
High Strength User:		
Flow (per MG, annual basis)	2,052.00	2,092.01
BOD (per 1,000 lbs., annual basis)	338.64	345.24
SS (per 1,000 lb., annual basis)	211.73	215.86
Grease Inceptor & Septic Holding Tank Waste within City Limits (per 1,000 gal.)	179.30	182.80
Septic (only) Holding Tank Waste Outside City limits (per 1,000 gal.)	380.64	388.06
Disposal to Storm Drain System (per MG)	188.33	192.00
Disposal to Industrial System:		
Flow (per MG, annual basis)	1,309.48	n/a rates adusted annually per
BOD (per 1,000 lbs., annual basis)	22.82	LMC § 13.12.210
Winery Waste (per 1,000 gal.)	181.56	185.10

(1) Established City Utility Discounts apply to above rates

PROOF OF PUBLICATION

(2015.5 C.C.C.P.)

STATE OF CALIFORNIA

County of San Joaquin

This space is for the County Clerk's Filing Stamp

Proof of Publication

Notice of Public Hearing for June 7, 2006 for a Resolution
Adjusting CPO-Based Water and Wastewater Rates,
(as indicated on Exhibits A and B)

I am a citizen of the United States and a resident of the County aforesaid: I am over the age of eighteen years and not a party to or interested in the above entitled matter. I am the principal clerk of the printer of the Lodi News-Sentinel, a newspaper of general circulation, printed and published daily except Sundays and holidays, in the City of Lodi, California, County of San Joaquin and which newspaper had been adjudicated a newspaper of general circulation by the Superior Court, Department 3, of the County of San Joaquin, State of California, under the date of May 26th, 1953. Case Number 65990; that the notice of which the annexed is a printed copy (set in type not smaller than non-pareil) has been published in each regular and entire issue of said newspaper and not in any supplement thereto on the following dates to-wit:

May 13th, 20th

all in the year 2006.

I certify (or declare) under the penalty of perjury that the foregoing is true and correct.

Dated at Lodi, California, this 20th day of May 2006.

Signature

5512083

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that on Wednesday, June 7, 2006, at the hour of 2:00 p.m., the City of Lodi City Council will conduct a public hearing at the Carnegie Forum, 100 West Pine Street, Lodi, to consider the following resolution adjusting CPO-based water and wastewater rates, (as indicated on Exhibits A and B).

Information regarding this matter may be obtained in the office of the Public Works Department, 221 West Pine Street, Lodi, California. Interested persons are invited to present their views and comments on this matter. Verbal statements may be filed with the City Clerk, 221 West Pine Street, Lodi, California, or by mail to the City Clerk, 221 West Pine Street, Lodi, California, no later than 5:00 p.m. on Friday, June 2, 2006. If you challenge the subject matter in court, you may be limited to filing a writ of habeas corpus or a writ of certiorari in order of the Lodi City Council.

Susan V. Blackston
City Clerk

Date: May 3, 2006

Approved as to form:

D. Stephen Schwabauer
City Attorney

City of Lodi Water Utility Proposed Water Rates

	Current Rates				Rates Effective 7/1/2006			
	Base	Inf.	PCE	Monthly Total	Base	Inf.	PCE	Monthly Total
Single Family Residential	\$4.00				\$4.00			
1 BR House	13.67	4.97	2.43	21.07	13.67	4.97	2.43	21.07
2 BR House	18.47	5.92	2.92	27.30	18.47	5.92	2.92	27.30
3 BR House	23.04	6.80	3.30	33.14	23.04	6.80	3.30	33.14
4 BR House	28.38	7.72	3.80	39.90	28.38	7.72	3.80	39.90
5 BR House	34.03	8.68	4.30	46.99	34.03	8.68	4.30	46.99
6 BR House	40.02	9.68	4.80	54.50	40.02	9.68	4.80	54.50
7 BR House	46.32	10.72	5.30	62.34	46.32	10.72	5.30	62.34
8 BR House	52.92	11.80	5.80	70.52	52.92	11.80	5.80	70.52
9 BR House	59.82	12.92	6.30	79.04	59.82	12.92	6.30	79.04
10 BR House	67.02	14.08	6.80	87.90	67.02	14.08	6.80	87.90
11 BR House	74.52	15.28	7.30	97.10	74.52	15.28	7.30	97.10
12 BR House	82.32	16.52	7.80	106.64	82.32	16.52	7.80	106.64
13 BR House	90.42	17.80	8.30	116.52	90.42	17.80	8.30	116.52
14 BR House	98.82	19.12	8.80	126.74	98.82	19.12	8.80	126.74
15 BR House	107.52	20.48	9.30	137.30	107.52	20.48	9.30	137.30
16 BR House	116.52	21.88	9.80	148.20	116.52	21.88	9.80	148.20
17 BR House	125.82	23.32	10.30	159.44	125.82	23.32	10.30	159.44
18 BR House	135.42	24.80	10.80	171.02	135.42	24.80	10.80	171.02
19 BR House	145.32	26.32	11.30	182.94	145.32	26.32	11.30	182.94
20 BR House	155.52	27.88	11.80	195.20	155.52	27.88	11.80	195.20
21 BR House	166.02	29.48	12.30	207.80	166.02	29.48	12.30	207.80
22 BR House	176.82	31.12	12.80	220.74	176.82	31.12	12.80	220.74
23 BR House	187.92	32.80	13.30	234.02	187.92	32.80	13.30	234.02
24 BR House	199.32	34.52	13.80	247.64	199.32	34.52	13.80	247.64
25 BR House	211.02	36.28	14.30	261.60	211.02	36.28	14.30	261.60
26 BR House	223.02	38.08	14.80	275.90	223.02	38.08	14.80	275.90
27 BR House	235.32	39.92	15.30	290.54	235.32	39.92	15.30	290.54
28 BR House	247.92	41.80	15.80	305.52	247.92	41.80	15.80	305.52
29 BR House	260.82	43.72	16.30	320.84	260.82	43.72	16.30	320.84
30 BR House	274.02	45.68	16.80	336.50	274.02	45.68	16.80	336.50
31 BR House	287.52	47.68	17.30	352.50	287.52	47.68	17.30	352.50
32 BR House	301.32	49.72	17.80	368.84	301.32	49.72	17.80	368.84
33 BR House	315.42	51.80	18.30	385.52	315.42	51.80	18.30	385.52
34 BR House	329.82	53.92	18.80	402.54	329.82	53.92	18.80	402.54
35 BR House	344.52	56.08	19.30	419.90	344.52	56.08	19.30	419.90
36 BR House	359.52	58.28	19.80	437.60	359.52	58.28	19.80	437.60
37 BR House	374.82	60.52	20.30	455.64	374.82	60.52	20.30	455.64
38 BR House	390.42	62.80	20.80	474.02	390.42	62.80	20.80	474.02
39 BR House	406.32	65.12	21.30	492.74	406.32	65.12	21.30	492.74
40 BR House	422.52	67.48	21.80	511.80	422.52	67.48	21.80	511.80
41 BR House	439.02	69.88	22.30	531.20	439.02	69.88	22.30	531.20
42 BR House	455.82	72.32	22.80	550.94	455.82	72.32	22.80	550.94
43 BR House	472.92	74.80	23.30	571.02	472.92	74.80	23.30	571.02
44 BR House	490.32	77.32	23.80	591.44	490.32	77.32	23.80	591.44
45 BR House	508.02	79.88	24.30	612.20	508.02	79.88	24.30	612.20
46 BR House	526.02	82.48	24.80	633.30	526.02	82.48	24.80	633.30
47 BR House	544.32	85.12	25.30	654.74	544.32	85.12	25.30	654.74
48 BR House	562.92	87.80	25.80	676.52	562.92	87.80	25.80	676.52
49 BR House	581.82	90.52	26.30	698.64	581.82	90.52	26.30	698.64
50 BR House	601.02	93.28	26.80	721.10	601.02	93.28	26.80	721.10
51 BR House	620.52	96.08	27.30	743.90	620.52	96.08	27.30	743.90
52 BR House	640.32	98.92	27.80	767.04	640.32	98.92	27.80	767.04
53 BR House	660.42	101.80	28.30	790.52	660.42	101.80	28.30	790.52
54 BR House	680.82	104.72	28.80	814.34	680.82	104.72	28.80	814.34
55 BR House	701.52	107.68	29.30	838.50	701.52	107.68	29.30	838.50
56 BR House	722.52	110.68	29.80	863.00	722.52	110.68	29.80	863.00
57 BR House	743.82	113.72	30.30	887.84	743.82	113.72	30.30	887.84
58 BR House	765.42	116.80	30.80	913.02	765.42	116.80	30.80	913.02
59 BR House	787.32	119.92	31.30	938.54	787.32	119.92	31.30	938.54
60 BR House	809.52	123.08	31.80	964.40	809.52	123.08	31.80	964.40
61 BR House	832.02	126.28	32.30	990.60	832.02	126.28	32.30	990.60
62 BR House	854.82	129.52	32.80	1017.14	854.82	129.52	32.80	1017.14
63 BR House	877.92	132.80	33.30	1044.02	877.92	132.80	33.30	1044.02
64 BR House	901.32	136.12	33.80	1071.24	901.32	136.12	33.80	1071.24
65 BR House	925.02	139.48	34.30	1098.80	925.02	139.48	34.30	1098.80
66 BR House	949.02	142.88	34.80	1126.70	949.02	142.88	34.80	1126.70
67 BR House	973.32	146.32	35.30	1154.94	973.32	146.32	35.30	1154.94
68 BR House	997.92	149.80	35.80	1183.52	997.92	149.80	35.80	1183.52
69 BR House	1022.82	153.32	36.30	1212.44	1022.82	153.32	36.30	1212.44
70 BR House	1048.02	156.88	36.80	1241.70	1048.02	156.88	36.80	1241.70
71 BR House	1073.52	160.48	37.30	1271.30	1073.52	160.48	37.30	1271.30
72 BR House	1099.32	164.12	37.80	1301.24	1099.32	164.12	37.80	1301.24
73 BR House	1125.42	167.80	38.30	1331.52	1125.42	167.80	38.30	1331.52
74 BR House	1151.82	171.52	38.80	1362.14	1151.82	171.52	38.80	1362.14
75 BR House	1178.52	175.28	39.30	1393.10	1178.52	175.28	39.30	1393.10
76 BR House	1205.52	179.08	39.80	1424.40	1205.52	179.08	39.80	1424.40
77 BR House	1232.82	182.92	40.30	1456.04	1232.82	182.92	40.30	1456.04
78 BR House	1260.42	186.80	40.80	1488.02	1260.42	186.80	40.80	1488.02
79 BR House	1288.32	190.72	41.30	1520.34	1288.32	190.72	41.30	1520.34
80 BR House	1316.52	194.68	41.80	1553.00	1316.52	194.68	41.80	1553.00
81 BR House	1345.02	198.68	42.30	1585.90	1345.02	198.68	42.30	1585.90
82 BR House	1373.82	202.72	42.80	1619.14	1373.82	202.72	42.80	1619.14
83 BR House	1402.92	206.80	43.30	1652.74	1402.92	206.80	43.30	1652.74
84 BR House	1432.32	210.92	43.80	1686.70	1432.32	210.92	43.80	1686.70
85 BR House	1462.02	215.08	44.30	1721.02	1462.02	215.08	44.30	1721.02
86 BR House	1492.02	219.28	44.80	1755.70	1492.02	219.28	44.80	1755.70
87 BR House	1522.32	223.52	45.30	1790.74	1522.32	223.52	45.30	1790.74
88 BR House	1552.92	227.80	45.80	1826.14	1552.92	227.80	45.80	1826.14
89 BR House	1583.82	232.12	46.30	1861.90	1583.82	232.12	46.30	1861.90
90 BR House	1615.02	236.48	46.80	1898.02	1615.02	236.48	46.80	1898.02
91 BR House	1646.52	240.88	47.30	1934.50	1646.52	240.88	47.30	1934.50
92 BR House	1678.32	245.32	47.80	1971.34	1678.32	245.32	47.80	1971.34
93 BR House	1710.42	249.80	48.30	2008.52	1710.42	249.80	48.30	2008.52
94 BR House	1742.82	254.32	48.80	2046.04	1742.82	254.32	48.80	2046.04
95 BR House	1775.52	258.88	49.30	2083.90	1775.52	258.88	49.30	2083.90
96 BR House	1808.52	263.48	49.80	2122.14	1808.52	263.48	49.80	2122.14
97 BR House	1841.82	268.12	50.30	2160.74	1841.82	268.12	50.30	2160.74
98 BR House	1875.42	272.80	50.80	2199.70	1875.42	272.80	50.80	2199.70
99 BR House	1909.32	277.52	51.30	2239.14	1909.32	277.52	51.30	2239.14
100 BR House	1943.52	282.28	51.80	2279.02	1943.52	282.28	51.80	2279.02

City of Lodi Wastewater Utility Proposed Wastewater Rates

Description	Current Rates		Proposed Wastewater Rates		Rates Effective 7/1/2006		Monthly Total
	Base	Inf.	Base	Inf.	Base	Inf.	
Essential							
1 BR	14.41	5.55	14.41	5.55	14.41	5.55	19.96
2 BR	18.88	7.39	18.88	7.39	18.88	7.39	26.27
3 BR	23.35	9.23	23.35	9.23	23.35	9.23	32.58
4 BR	27.82	11.07	27.82	11.07	27.82	11.07	38.89
5 BR	32.29	12.91	32.29	12.91	32.29	12.91	45.20
6 BR	36.76	14.75	36.76	14.75	36.76	14.75	51.51
7 BR	41.23	16.59	41.23	16.59	41.23	16.59	57.82
8 BR	45.70	18.43	45.70	18.43	45.70	18.43	64.13
9 BR	50.17	20.27	50.17	20.27	50.17	20.27	70.44
10 BR	54.64	22.11	54.64	22.11	54.64	22.11	76.75
11 BR	59.11	23.95	59.11	23.95	59.11	23.95	83.06
12 BR	63.58	25.79	63.58	25.79	63.58	25.79	89.37
13 BR	68.05	27.63	68.05	27.63	68.05	27.63	95.68
14 BR	72.52	29.47	72.52	29.47	72.52	29.47	101.99
15 BR	76.99	31.31	76.99	31.31	76.99	31.31	108.30
16 BR	81.46	33.15	81.46	33.15	81.46	33.15	114.61
17 BR	85.93	34.99	85.93	34.99	85.93	34.99	120.92
18 BR	90.40	36.83	90.40	36.83	90.40	36.83	127.23
19 BR	94.87	38.67	94.87	38.67	94.87	38.67	133.54
20 BR	99.34	40.51	99.34	40.51	99.34	40.51	139.85
21 BR	103.81	42.35	103.81	42.35	103.81	42.35	146.16
22 BR	108.28	44.19	108.28	44.19	108.28	44.19	152.47
23 BR	112.75	46.03	112.75	46.03	112.75	46.03	158.78
24 BR	117.22	47.87	117.22	47.87	117.22	47.87	165.09
25 BR	121.69	49.71	121.69	49.71	121.69	49.71	171.40
26 BR	126.16	51.55	126.16	51.55	126.16	51.55	177.71
27 BR	130.63	53.39	130.63	53.39	130.63	53.39	184.02
28 BR	135.10	55.23	135.10	55.23	135.10	55.23	190.33
29 BR	139.57	57.07	139.57	57.07	139.57	57.07	196.64
30 BR	144.04	58.91	144.04	58.91	144.04	58.91	202.95
31 BR	148.51	60.75	148.51	60.75	148.51	60.75	209.26
32 BR	152.98	62.59	152.98	62.59	152.98	62.59	215.57
33 BR	157.45	64.43	157.45	64.43	157.45	64.43	221.88
34 BR	161.92	66.27	161.92	66.27	161.92	66.27	228.19
35 BR	166.39	68.11	166.39	68.11	166.39	68.11	234.50
36 BR	170.86	69.95	170.86	69.95	170.86	69.95	240.81
37 BR	175.33	71.79	175.33	71.79	175.33	71.79	247.12
38 BR	179.80	73.63	179.80	73.63	179.80	73.63	253.43
39 BR	184.27	75.47	184.27	75.47	184.27	75.47	259.74
40 BR	188.74	77.31	188.74	77.31	188.74	77.31	266.05
41 BR	193.21	79.15	193.21	79.15	193.21	79.15	272.36
42 BR	197.68	80.99	197.68	80.99	197.68	80.99	278.67
43 BR	202.15	82.83	202.15	82.83	202.15	82.83	284.98
44 BR	206.62	84.67	206.62	84.67	206.62	84.67	291.29
45 BR	211.09	86.51	211.09	86.51	211.09	86.51	297.60
46 BR	215.56	88.35	215.56	88.35	215.56	88.35	303.91
47 BR	220.03	90.19	220.03	90.19	220.03	90.19	310.22
48 BR	224.50	92.03	224.50	92.03	224.50	92.03	316.53
49 BR	228.97	93.87	228.97	93.87	228.97	93.87	322.84
50 BR	233.44	95.71	233.44	95.71	233.44	95.71	329.15
51 BR	237.91	97.55	237.91	97.55	237.91	97.55	335.46
52 BR	242.38	99.39	242.38	99.39	242.38	99.39	341.77
53 BR	246.85	101.23	246.85	101.23	246.85	101.23	348.08
54 BR	251.32	103.07	251.32	103.07	251.32	103.07	354.39
55 BR	255.79	104.91	255.79	104.91	255.79	104.91	360.70
56 BR	260.26	106.75	260.26	106.75	260.26	106.75	367.01
57 BR	264.73	108.59	264.73	108.59	264.73	108.59	373.32
58 BR	269.20	110.43	269.20	110.43	269.20	110.43	379.63
59 BR	273.67	112.27	273.67	112.27	273.67	112.27	385.94
60 BR	278.14	114.11	278.14	114.11	278.14	114.11	392.25
61 BR	282.61	115.95	282.61	115.95	282.61	115.95	398.56
62 BR	287.08	117.79	287.08	117.79	287.08	117.79	404.87
63 BR	291.55	119.63	291.55	119.63	291.55	119.63	411.18
64 BR	296.02	121.47	296.02	121.47	296.02	121.47	417.49
65 BR	300.49	123.31	300.49	123.31	300.49	123.31	423.80
66 BR	304.96	125.15	304.96	125.15	304.96	125.15	430.11
67 BR	309.43	126.99	309.43	126.99	309.43	126.99	436.42
68 BR	313.90	128.83	313.90	128.83	313.90	128.83	442.73
69 BR	318.37	130.67	318.37	130.67	318.37	130.67	449.04
70 BR	322.84	132.51	322.84	132.51	322.84	132.51	455.35
71 BR	327.31	134.35	327.31	134.35	327.31	134.35	461.66
72 BR	331.78	136.19	331.78	136.19	331.78	136.19	467.97
73 BR	336.25	138.03	336.25	138.03	336.25	138.03	474.28
74 BR	340.72	139.87	340.72	139.87	340.72	139.87	480.59
75 BR	345.19	141.71	345.19	141.71	345.19	141.71	486.90
76 BR	349.66	143.55	349.66	143.55	349.66	143.55	493.21
77 BR	354.13	145.39	354.13	145.39	354.13	145.39	499.52
78 BR	358.60	147.23	358.60	147.23	358.60	147.23	505.83
79 BR	363.07	149.07	363.07	149.07	363.07	149.07	512.14
80 BR	367.54	150.91	367.54	150.91	367.54	150.91	518.45
81 BR	372.01	152.75	372.01	152.75	372.01	152.75	524.76
82 BR	376.48	154.59	376.48	154.59	376.48	154.59	531.07
83 BR	380.95	156.43	380.95	156.43	380.95	156.43	537.38
84 BR	385.42	158.27	385.42	158.27	385.42	158.27	543.69
85 BR	389.89	160.11	389.89	160.11	389.89	160.11	549.99
86 BR	394.36	161.95	394.36	161.95	394.36	161.95	556.30
87 BR	398.83	163.79	398.83	163.79	398.83	163.79	562.61
88 BR	403.30	165.63	403.30	165.63	403.30	165.63	568.92
89 BR	407.77	167.47	407.77	167.47	407.77	167.47	575.23
90 BR	412.24	169.31	412.24	169.31	412.24	169.31	581.54
91 BR	416.71	171.15	416.71	171.15	416.71	171.15	587.85
92 BR	421.18	172.99	421.18	172.99	421.18	172.99	594.16
93 BR	425.65	174.83	425.65	174.83	425.65	174.83	600.47
94 BR	430.12	176.67	430.12	176.67	430.12	176.67	606.78
95 BR	434.59	178.51	434.59	178.51	434.59	178.51	613.09
96 BR	439.06	180.35	439.06	180.35	439.06	180.35	619.40
97 BR	443.53	182.19	443.53	182.19	443.53	182.19	625.71
98 BR	447.99	184.03	447.99	184.03	447.99	184.03	632.02
99 BR	452.46	185.87	452.46	185.87	452.46	185.87	638.33
100 BR	456.93	187.71	456.93	187.71	456.93	187.71	644.64

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that on Wednesday, June 7, 2006, at the hour of 7:00 p.m., or as soon thereafter as the matter may be heard, the City Council will conduct a Public Hearing at the Carnegie Forum, 305 West Pine Street, Lodi, to consider the following matter:

a) Resolution adjusting CPI-based water and wastewater rates, (as indicated on Exhibits A and B).

Information regarding this matter may be obtained in the office of the Public Works Department, 221 West Pine Street, Lodi, California. All interested persons are invited to present their views and comments on this matter. Written statements may be filed with the City Clerk at any time prior to the hearing scheduled herein, and oral statements may be made at said hearing. If you challenge the subject matter in court, you may be limited to raising only those issues you or someone else raised at the Public Hearing described in this notice or in written correspondence delivered to the City Clerk, 221 West Pine Street, at or prior to the Public Hearing. By Order of the Lodi City Council:

Susan J. Blackston
City Clerk

Dated: May 3, 2006

Approved as to form:

D. Stephen Schwabauer
City Attorney

City of Lodi Water Utility Proposed Water Rates

Current Rates					Rates Effective 7/1/2006			
	Base	Infr.	PCE/ TCE	Monthly Total	Base	Infr.	PCE/ TCE (2nd step)	Monthly Total
Single-Family Residential								
1 BR - House	13.67	4.97	2.43	21.07	13.94	5.07	4.86	23.87
2 BR - House	16.41	5.97	2.92	25.30	16.73	6.09	5.84	28.66
3 BR - House	19.68	7.15	3.50	30.33	20.06	7.29	7.00	34.35
4 BR - House	23.64	8.60	4.20	36.44	24.10	8.77	8.41	41.28
5 BR - House	28.36	10.32	5.04	43.72	28.91	10.52	10.09	49.52
6 BR - House	34.03	12.38	6.05	52.46	34.69	12.62	12.10	59.41
7 BR - House	40.82	14.85	7.26	62.93	41.62	15.14	14.52	71.28
Multi-Family Residential								
1 BR - APT	11.73	4.27	2.09	18.09	11.96	4.35	4.17	20.48
2 BR - APT	14.07	5.12	2.50	21.69	14.34	5.22	5.00	24.56
3 BR - APT (1)	16.88	6.14	3.00	26.02	17.21	6.26	6.00	29.47
Flat Rate Commercial/ Industrial Customers - Varies; Increase all by 1.95% except PCE/ TCE surcharge								
Metered Rate (2)	Base	Infr. \$/cct	PCE/ TCE	Total	Base	Infr. \$/cct	PCE/ TCE	Total
Commodity Charge per 100 cu. Ft.	0.490	0.233		0.723	0.500	0.238		0.738
monthly charge								
Comm. 5/8"	14.35		3.19	17.54	14.63		6.37	21.00
Comm. .75" 15.77		3.50	19.27	16.08		7.00	23.08	
Comm. 1"	23.65		5.25	28.90	24.11		10.51	34.62
Comm. 1.5" 31.53		7.00	38.53	32.14		14.00	46.14	
Comm. 2"	39.42		8.76	48.18	40.19		17.51	57.70
Comm. 3"	55.19		12.28	67.45	56.27		24.51	80.78
Comm. 4"	70.96		15.76	86.72	72.34		31.52	103.86
Comm. 6"	102.50		22.77	125.27	104.50		45.53	150.03
Comm. 8"	134.06		29.75	163.81	136.67		59.50	196.17
Comm. 10"	165.60		36.75	202.35	168.83		73.50	242.33
Construction Water Charges per 100 cu. Ft.	0.723				0.738			
(1) plus 20% for each additional bedroom								
(2) Monthly total for metered commercial customers depends on amount of water used								
(3) Established City Utility Discounts apply to above rates								

City of Lodi Wastewater Utility Proposed Wastewater Rates

Current Rates				Rates Effective 7/01/2006		
	Base	Infr.	Monthly Total	Base	Infr.	Monthly Total
Residential						
1 BR	10.61	4.39	15.20	11.02	4.47	15.49
2 BR	14.41	5.85	20.26	14.69	5.96	20.65
3 BR	18.05	7.31	25.36	18.36	7.45	25.81
4 BR	21.65	8.78	30.43	22.04	8.94	30.98
5 BR	25.25	10.24	35.49	25.71	10.43	36.14
6 BR	28.65	11.70	40.55	29.38	11.92	41.30
7 BR	32.47	13.16	45.63	33.05	13.41	46.46
Moderate Strength (annual per SSU)	243.12			247.80		
High Strength User:						
Flow (per MG, annual basis)	2,052.00			2,092.01		
BOD (per 1,000 lbs., annual basis)	338.64			345.24		
SS (per 1,000 lb., annual basis)	211.73			215.86		
Grease Inceptor & Septic Holding Tank Waste within City Limits (per 1,000 gal.)	179.30			182.80		
Septic (only) Holding Tank Waste Outside City limits (per 1,000 gal.)	380.64			388.06		
Disposal to Storm Drain System (per MG)	188.33			192.00		
Disposal to Industrial System:						
Flow (per MG, annual basis)	1,309.48			n/a rates adjusted annually per		
BOD (per 1,000 lbs., annual basis)	22.82			LMC § 13.12.210		
Winery Waste (per 1,000 gal.)	181.56			185.10		

(1) Established City Utility Discounts apply to above rates
May 13, 20, 2006 - 05512083



***Please immediately confirm receipt
of this fax by calling 333-6702***

CITY OF LODI
P. O. BOX 3006
LODI, CALIFORNIA 95241-1910

ADVERTISING INSTRUCTIONS

SUBJECT: NOTICE OF PUBLIC HEARING FOR June 7, 2006 for a Resolution
Adjusting CPI-Based Water and Wastewater Rates, (as indicated on Exhibits A and B).

LEGAL AD

PUBLISH DATE: May 13, 2006 & May 20, 2006

TEAR SHEETS WANTED: Three (3) please

SEND AFFIDAVIT AND BILL TO: SUSAN BLACKSTON, CITY CLERK
City of Lodi
P.O. Box 3006
Lodi, CA 95241-1910

DATED: May 4, 2006

ORDERED BY: SUSAN J. BLACKSTON
CITY CLERK

JENNIFER M. PERRIN, CMC
DEPUTY CITY CLERK

JACQUELINE L. TAYLOR, CMC
DEPUTY CITY CLERK


DANA R. CHAPMAN
ADMINISTRATIVE CLERK

Verify Appearance of this Legal in the Newspaper – Copy to File

LNS	Faxed to the Sentinel at 369-1084 at 3:12 PM (time) on 5/4/06 (date) 4 (pages)
	Phoned to confirm receipt of all pages at 4:00 PM (time) JLT DRC JMP (initials)



CITY OF LODI

Carnegie Forum
305 West Pine Street, Lodi

NOTICE OF PUBLIC HEARING

Date: June 7, 2006

Time: 7:00 p.m.

For information regarding this notice please contact:

Susan J. Blackston

City Clerk

Telephone: (209) 333-6702

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that on **Wednesday, June 7, 2006**, at the hour of 7:00 p.m., or as soon thereafter as the matter may be heard, the City Council will conduct a Public Hearing at the Carnegie Forum, 305 West Pine Street, Lodi, to consider the following matter:

- a) Resolution adjusting CPI-based water and wastewater rates, (as indicated on Exhibits A and B).

Information regarding this matter may be obtained in the office of the Public Works Department, 221 West Pine Street, Lodi, California. All interested persons are invited to present their views and comments on this matter. Written statements may be filed with the City Clerk at any time prior to the hearing scheduled herein, and oral statements may be made at said hearing.

If you challenge the subject matter in court, you may be limited to raising only those issues you or someone else raised at the Public Hearing described in this notice or in written correspondence delivered to the City Clerk, 221 West Pine Street, at or prior to the Public Hearing.

By Order of the Lodi City Council:

Susan J. Blackston
City Clerk

Dated: May 3, 2006

Approved as to form:

D. Stephen Schwabauer
City Attorney

City of Lodi Water Utility
Proposed Water Rates

	Current Rates				Rates Effective 7/1/2006			
	Base	Infr.	PCE/ TCE	Monthly Total	Base	Infr.	PCE/TCE (2nd step)	Monthly Total
Single-Family Residential								
1 BR - House	13.67	4.97	2.43	21.07	13.94	5.07	4.86	23.87
2 BR - House	16.41	5.97	2.92	25.30	16.73	6.09	5.84	28.66
3 BR - House	19.68	7.15	3.50	30.33	20.06	7.29	7.00	34.35
4 BR - House	23.64	8.60	4.20	36.44	24.10	8.77	8.41	41.28
5 BR - House	28.36	10.32	5.04	43.72	28.91	10.52	10.09	49.52
6 BR - House	34.03	12.38	6.05	52.46	34.69	12.62	12.10	59.41
7 BR - House	40.82	14.85	7.26	62.93	41.62	15.14	14.52	71.28
Multi-Family Residential								
1 BR - APT	11.73	4.27	2.09	18.09	11.96	4.35	4.17	20.48
2 BR - APT	14.07	5.12	2.50	21.69	14.34	5.22	5.00	24.56
3 BR - APT (1)	16.88	6.14	3.00	26.02	17.21	6.26	6.00	29.47
Flat Rate Commercial/Industrial Customers - Varies, Increase all by 1.95% except PCE/TCE surcharge								
Metered Rate (2)	Base	Infr. \$/ccf	PCE/ TCE	Total	Base	Infr. \$/ccf	PCE/ TCE	Total
Commodity Charge per 100 cu. Ft.	0.490	0.233		0.723	0.500	0.238		0.738
monthly charge								
Comm. 5/8"	14.35		3.19	17.54	14.63		6.37	21.00
Comm. .75"	15.77		3.50	19.27	16.08		7.00	23.08
Comm. 1"	23.65		5.25	28.90	24.11		10.51	34.62
Comm. 1.5"	31.53		7.00	38.53	32.14		14.00	46.14
Comm. 2"	39.42		8.76	48.18	40.19		17.51	57.70
Comm. 3"	55.19		12.26	67.45	56.27		24.51	80.78
Comm. 4"	70.96		15.76	86.72	72.34		31.52	103.86
Comm. 6"	102.50		22.77	125.27	104.50		45.53	150.03
Comm. 8"	134.06		29.75	163.81	136.67		59.50	196.17
Comm. 10"	165.60		36.75	202.35	168.83		73.50	242.33
Construction Water Charges per 100 cu. Ft.	0.723				0.738			

(1) plus 20% for each additional bedroom

(2) Monthly total for metered commercial customers depends on amount of water used

(3) Established City Utility Disc

City of Lodi Wastewater Utility
Proposed Wastewater Rates

	Current Rates			Rates Effective 7/1/2006		
	Base	Infr.	Monthly Total	Base	Infr.	Monthly Total
Residential						
1 BR	10.81	4.39	15.20	11.02	4.47	15.49
2 BR	14.41	5.85	20.26	14.69	5.96	20.65
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Disposal to Industrial System:		
Flow (per MG, annual basis)	1,309.48	n/a rates adusted annually per LMC § 13.12.210
BOD (per 1,000 lbs., annual basis)	22.82	
Winery Waste (per 1,000 gal.)	181.56	185.10

(1) Established City Utility Discounts apply to above rates



DECLARATION OF POSTING

PUBLIC HEARING FOR June 7, 2006 for a Resolution Adjusting CPI-Based Water and Wastewater Rates

On Friday May 5, 2006, in the City of Lodi, San Joaquin County, California, a Notice of Public Hearing was posted for a Resolution adjusting CPI-Based Water and Wastewater Rates at the following locations;

Lodi Public Library
Lodi City Clerk's Office
Lodi City Hall Lobby
Lodi Carnegie Forum

I declare under penalty of perjury that the foregoing is true and correct.


Executed on May 5, 2006, at Lodi, California.

ORDERED BY:

SUSAN J. BLACKSTON
CITY CLERK

JENNIFER M. PERRIN, CMC
DEPUTY CITY CLERK

JACQUELINE L. TAYLOR, CMC
DEPUTY CITY CLERK



DANA R. CHAPMAN
ADMINISTRATIVE CLERK



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Public Hearing to review and receive comments regarding the City of Lodi 2006-07 recommended draft budget

MEETING DATE: June 7, 2006

PREPARED BY: Deputy City Manager

RECOMMENDED ACTION: That City Council conduct a Public Hearing to receive comments regarding the City of Lodi 2006-07 recommended draft budget.

BACKGROUND INFORMATION: Council has reviewed a draft budget for 2006-07 and has heard a presentation from the City Manager and various departments on May 31, 2006. At the conclusion of the presentation of department budgets, there will be the opportunity to receive comments from the public regarding the 2006-07 budget.

Staff will prepared the Resolution to adopt the budget at the Regular City Council meeting on June 21, 2006.

FISCAL IMPACT: Not applicable.

FUNDING AVAILABLE: Not applicable.

Jim Krueger, Deputy City Manager

APPROVED: _____
Blair King, City Manager

PROOF OF PUBLICATION

(2015.5 C.C.C.P.)

STATE OF CALIFORNIA

County of San Joaquin

I am a citizen of the United States and a resident of the County aforesaid: I am over the age of eighteen years and not a party to or interested in the above entitled matter. I am the principal clerk of the printer of the Lodi News-Sentinel, a newspaper of general circulation, printed and published daily except Sundays and holidays, in the City of Lodi, California, County of San Joaquin and which newspaper had been adjudicated a newspaper of general circulation by the Superior Court, Department 3, of the County of San Joaquin, State of California, under the date of May 26th, 1953. Case Number 65990; that the notice of which the annexed is a printed copy (set in type not smaller than non-pareil) has been published in each regular and entire issue of said newspaper and not in any supplement thereto on the following dates to-wit:

May 20th

all in the year 2006.

I certify (or declare) under the penalty of perjury that the foregoing is true and correct.

Dated at Lodi, California, this 20th day of May 2006.



Signature

This space is for the County Clerk's Filing Stamp

Proof of Publication

Notice of Public Hearing

Public Notices

8

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that on Wednesday, June 7, 2006 at the hour of 7:00 p.m., or as soon thereafter as the matter may be heard, the City Council will conduct a public hearing at the Carnegie Forum, 305 West Pine Street, Lodi, to consider the following matter:

a) review and receive comments regarding City of Lodi 2006-07 Operating and Capital Outlay Budget

Information regarding this item may be obtained in the City Manager's Department, 221 West Pine Street, Lodi, (209) 333-6700. All interested persons are invited to present their views and comments on this matter. Written statements may be filed with the City Clerk, City Hall, 221 W. Pine Street, 2nd Floor, Lodi, 95240 at any time prior to the hearing scheduled herein, and oral statements may be made at said hearing.

If you challenge the subject matter in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice or in written correspondence delivered to the City Clerk, 221 West Pine Street, at or prior to the close of the public hearing.

By Order of the Lodi City Council:

Susan J. Blackston
City Clerk

Dated: May 17, 2006

Approved as to form:

D. Stephen Schwabauer
City Attorney
May 20, 2006 - 05512166

5512166



***Please immediately confirm receipt
of this fax by calling 333-6702***

CITY OF LODI
P. O. BOX 3006
LODI, CALIFORNIA 95241-1910

ADVERTISING INSTRUCTIONS

SUBJECT: NOTICE OF PUBLIC HEARING for June 7, 2006, review and receive
comments regarding City of Lodi 2006-07 Operating and Capital Outlay
Budget

LEGAL AD

PUBLISH DATE: SATURDAY, MAY 20, 2006

TEAR SHEETS WANTED: Three (3) please


SEND AFFIDAVIT AND BILL TO: SUSAN BLACKSTON, CITY CLERK
City of Lodi
P.O. Box 3006
Lodi, CA 95241-1910

DATED: THURSDAY, MAY 18, 2006

ORDERED BY: SUSAN J. BLACKSTON
CITY CLERK

JENNIFER M. PERRIN, CMC
DEPUTY CITY CLERK

JACQUELINE L. TAYLOR, CMC
DEPUTY CITY CLERK


DANA R. CHAPMAN
ADMINISTRATIVE CLERK

Verify Appearance of this Legal in the Newspaper – Copy to File

LNS Faxed to the Sentinel at 369-1084 at 4:00 (time) on 5/18/06 (date) 2 (pages)
DIANE Phoned to confirm receipt of all pages at 4:30 (time) JLT DRC JMP (initials)



CITY OF LODI
Carnegie Forum
305 West Pine Street, Lodi

NOTICE OF PUBLIC HEARING

Date: June 7, 2006

Time: 7:00 p.m.

For information regarding this notice please contact:

Susan J. Blackston

City Clerk

Telephone: (209) 333-6702

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that on **Wednesday, June 7, 2006** at the hour of 7:00 p.m., or as soon thereafter as the matter may be heard, the City Council will conduct a public hearing at the Carnegie Forum, 305 West Pine Street, Lodi, to consider the following matter:

- a) review and receive comments regarding City of Lodi 2006-07 Operating and Capital Outlay Budget

Information regarding this item may be obtained in the City Manager's Department, 221 West Pine Street, Lodi, (209) 333-6700. All interested persons are invited to present their views and comments on this matter. Written statements may be filed with the City Clerk, City Hall, 221 W. Pine Street, 2nd Floor, Lodi, 95240 at any time prior to the hearing scheduled herein, and oral statements may be made at said hearing.

If you challenge the subject matter in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice or in written correspondence delivered to the City Clerk, 221 West Pine Street, at or prior to the close of the public hearing.

By Order of the Lodi City Council:

Susan J. Blackston
City Clerk

Dated: May 17, 2006

Approved as to form:

D. Stephen Schwabauer
City Attorney



DECLARATION OF POSTING

NOTICE OF PUBLIC HEARING for June 7, 2006, review and receive comments regarding City of Lodi 2006-07 Operating and Capital Outlay Budget

On Friday, May 19, 2006, in the City of Lodi, San Joaquin County, California, a Notice of Public Hearing for June 7, 2006, review and receive comments regarding City of Lodi 2006-07 Operating and Capital Outlay Budget

Lodi Public Library
Lodi City Clerk's Office
Lodi City Hall Lobby
Lodi Carnegie Forum

I declare under penalty of perjury that the foregoing is true and correct.

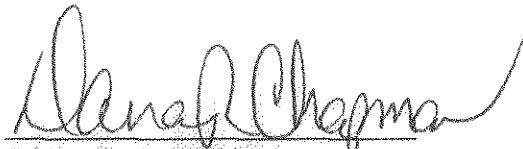
Executed on May 19, 2006, at Lodi, California.

ORDERED BY:

**SUSAN J. BLACKSTON
CITY CLERK**

JENNIFER M. PERRIN, CMC
DEPUTY CITY CLERK

JACQUELINE L. TAYLOR, CMC
DEPUTY CITY CLERK



DANA R. CHAPMAN
ADMINISTRATIVE CLERK



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Appointments to the Greater Lodi Area Youth Commission (Student Appointees)
MEETING DATE: June 7, 2006
PREPARED BY: City Clerk

RECOMMENDED ACTION: That Council, by motion action, concur with the Mayor's recommended appointment to the Greater Lodi Area Youth Commission (Student Appointees).

BACKGROUND INFORMATION: As indicated below, the City Clerk's Office was directed to post for the expiring terms on the Greater Lodi Area Youth Commission. It is recommended that the City Council concur with the following appointments.

Greater Lodi Area Youth Commission (posting of expiring terms ordered on 3/1/06)

Holly Jacobus	Term to expire May 31, 2006
Lee Kraljev	Term to expire May 31, 2006
Sarah McConahey	Term to expire May 31, 2006
Jacob Pearson	Term to expire May 31, 2006
Whitney Sandelin	Term to expire May 31, 2006

NOTE: 25 applicants (one seeking reappointment;
9 new applications; and 15 applications on file);
published in Lodi News-Sentinel 3/4/06;
application deadline 4/3/06

FISCAL IMPACT: None.

FUNDING AVAILABLE: None required.

Jennifer M. Perrin
Interim City Clerk

JMP

APPROVED: _____
Blair King, City Manager



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Approve Measure K Renewal Final Draft Expenditure Plan and endorse the renewal of Measure K

MEETING DATE: June 7, 2006

PREPARED BY: City Manager

RECOMMENDED ACTION: Approve San Joaquin Council of Governments' Measure K Renewal Expenditure Plan and endorse the renewal of Measure K.

BACKGROUND INFORMATION: The San Joaquin Council of Governments Board of Directors at their April 27, 2006 meeting, approved on a 12-0 vote, the attached Measure K Renewal Expenditure Plan. The Plan needs to be approved by the County Board of Supervisors (achieved on May 23, 2006) and a majority of the cities representing a majority of the incorporated population if the Measure K renewal is to be placed on the November 2006 ballot. As of May 31, 2006, the cities of Stockton, Escalon, Ripon and Lathrop have unanimously approved the attached Expenditure Plan achieving the minimum number of cities needed to approve the Measure K Renewal Expenditure Plan. The San Joaquin Council of Governments is requesting the Lodi City Council approve the Measure K Renewal Expenditure Plan as well.

In March, the Lodi City Council provided comments to the staff of San Joaquin COG on potential changes the Council would like to see in the draft plan. A summary of those comments and the response from the San Joaquin Council of Governments is outlined below:

1. Route 12 Improvements between Lower Sacramento Road and I-5 should be added to the State Highway Improvement subcategory of the Congestion Relief Category. "Exchanging" this project for the "Route 12 Improvements West of I-5" project is acceptable. Move the Route 12/99 Interchange project from Congestion Relief Local Roadway subcategory to the State Highway category.

The Final Expenditure Plan incorporates the improvement of Route 12 between Lower Sacramento Road and I-5.

2. Down-scope the Highway 99/Turner Road interchange project from "reconstruct interchange" to "capacity, signalization and safety improvements".

The Final Expenditure Plan incorporates this change.

3. Change the scope and limits of the Victor Road widening project from Cluff Avenue to Eastern General Plan boundary and include "capacity, signalization and safety improvements at Highway 99".

The Final Expenditure Plan incorporates this change.

4. Delete the Central Avenue project from the Congestion Relief category. **The Final Expenditure Plan incorporates this change.**

APPROVED: _____
Blair King, City Manager

5. Increasing the minimum to an agency in the Local Street Repair category from the proposed \$250,000 minimum to \$300,000 is acceptable. Any additional increase to the minimum should be phased in over the life of the program. **The distribution formula in the Final Expenditure Plan incorporates the \$300,000 annual minimum.**

The SJCOG Board also made additional changes to the Expenditure Plan based on comments from other organizations. A summary of those changes includes:

- Modifying the membership of the Management and Finance Committee to include transit representation
- Adding language to encourage expressways as a possible substitution for mainline freeway widening
- Adding a bridge across the Stanislaus River in the Ripon area
- Recognizing transit investments in service to Modesto from Escalon and Ripon
- Adding a Smart Growth Incentive program to the Measure K program
- Modifying the description of the Port Access project to identify a western extension of the Stockton Crosstown Freeway as being eligible.

The Measure K Renewal Expenditure Plan is in final form now and can not be altered without having to go back through the process of having the SJCOG adopt the Expenditure Plan again and then taking it back to the County and the cities. This would likely make it difficult to make all the deadlines for the November election. SJCOG is therefore asking the City Council to approve the Expenditure Plan with no changes.

Measure K was originally approved by the voters in November of 1990. The renewal requires a 2/3 vote for passage. The time is now appropriate for the Council to endorse the renewal of Measure K if it desires to do so.

FISCAL IMPACT: Measure K has funded a variety of projects in Lodi including:

- Lower Sacramento Road widening
- The Multi-modal Station
- The railroad rail line relocation project
- Street maintenance

If Measure K is renewed, Lodi can expect to receive no less than \$300,000 annually for street repair. Route 12 improvements from 99 through Lodi to I-5 and beyond to Bouldin Island have been identified for funding. Funding for improvements to Pine Street, Victor Road, Hutchins Street, Harney Lane, Ham Lane, and Route 99 interchanges have been included.

If Measure K is not renewed, revenues to fund the above projects and repair will not be available.

FUNDING AVAILABLE: Not applicable.

Blair King, City Manager

Attachment

cc: Andy Chesley, Director, Council of Governments

MEASURE K RENEWAL

SAN JOAQUIN COUNTY TRANSPORTATION IMPROVEMENT PLAN

APRIL 27, 2006



SAN JOAQUIN COUNCIL OF GOVERNMENTS



Measure K Expenditure Plan

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Taxpayer Accountability Safeguards.....	Page 24



San Joaquin Council of Governments
555 East Weber Avenue
Stockton, California 95202
www.sjcog.org

SAN JOAQUIN COUNTY LOCAL TRANSPORTATION IMPROVEMENT PLAN

EXPENDITURE PLAN

This document contains the Expenditure Plan of the San Joaquin County Local Transportation Improvement Plan. This Expenditure Plan, which is required to be adopted by the San Joaquin County Transportation Authority pursuant to Public Utilities Code commencing with Section 180000, is the legal document implementing the local retail transactions and use tax and specifying the method of allocation of the local retail transactions and use tax revenues and other requirements of the Measure. The Ordinance becomes effective at the close of the polls on the day of the election at which the local transportation measure is approved by the voters. The full text of the Expenditure Plan is provided on the following pages.

Member Jurisdictions

City of Escalon
City of Lathrop
City of Lodi
City of Manteca
City of Ripon
City of Stockton
City of Tracy
County of San Joaquin

EXECUTIVE SUMMARY

The Transportation Improvement Plan is aimed at remedying the existing over \$7.0 billion deficiency in transportation funding in San Joaquin County while promoting improved air quality. It also mandates local development fees and regional growth coordination. The Plan calls for street repairs, safety and operational improvements on local streets and roads, projects to reduce congestion on streets and highways, passenger rail and bus service to provide alternatives to the car and improve the air quality of the San Joaquin Valley, and separation of streets from railroads at designated crossings to improve safety.

Revenue to fund the Plan comes from the continuation of the existing one half percent (1/2 %) sales tax and will be limited to a 30-year period. The measure is estimated to generate \$2.552 billion for programs.

Categorical Allocations are as follows:

- 35% or \$883 million to Local Street Repairs and Roadway Safety
 - 86% or \$759 million for local street repairs
 - 14% or \$124 million for roadway safety
- 32.5% or \$820 million to Congestion Relief Projects
- 2.5% or \$63 million for Railroad Crossing Safety projects
- 30% or \$756 million to Passenger Rail, Bus and Bicycles:
 - 39% or \$295 million to passenger rail transit
 - 49% or \$370 million for bus transit
 - 5% or \$38 million for bus rapid transit capital
 - 7% or \$53 million for bicycles, pedestrians, and safe routes to school

By law, the Local Transportation Authority (LTA) can take no more than one percent (1%) of gross revenues for administrative salaries and benefits.

CATEGORY DESCRIPTIONS

LOCAL STREET REPAIR AND ROADWAY SAFETY - These funds are apportioned according to a baseline allocation and the annual increase of sales tax revenue over the baseline allocation. The baseline allocation is the highest annual total of Local Street Repair funding collected in either 2008, 2009, or 2010 divided 50% to San Joaquin County, 50% to the incorporated cities. Individual city allocations are by their proportionate share of the total incorporated population. The baseline allocation will be increased annually for inflation by 3% or the actual annual growth in sales tax revenue if the actual annual sales tax growth rate is below 3%. The increase over baseline allocation will be divided between all jurisdictions by population percentage of the total incorporated and unincorporated population. The County of San Joaquin is guaranteed an annual minimum of 40% of the combined Local Street Repair and Roadway Safety funding. An annual minimum of \$300,000 is guaranteed to all jurisdictions. This formula will be reviewed and, if necessary, revised after fifteen years. These funds must be used to augment current transportation spending and cannot be used to replace general fund expenditures.

- **Local Street Repair** includes expenditures to rehabilitate local streets, curbs, gutters, sidewalks, and roadway shoulders.

- **Roadway Safety** promotes motorist safety including fog reflectors, median barriers, roadway shoulders, emergency vehicle traffic signal pre-emption systems, and safe routes to schools.

CONGESTION RELIEF PROJECTS – These are projects of regional importance, which add lanes to roadways or provide operational improvements that increase roadway capacity. Projects include state highway facilities and regional arterial facilities. Funding will be used in combination with other revenue sources such as state funds or local fees to deliver projects and can be loaned to the state to deliver a project sooner than would normally be expected through the State Transportation Improvement Program (STIP) process. Sixty percent (60%) of the funds are dedicated to state highway projects. Forty percent (40%) of the funds are dedicated to regional arterial projects according to the population of local jurisdictions.

PASSENGER RAIL, BUS AND BICYCLES - It is the intent to use sales tax revenue to match and supplement state and federal funds for passenger rail transit, bus transit, and pedestrian/bicycle facilities.

- **Passenger Rail Transit** includes expenditures to promote and upgrade passenger rail service in the Stockton - Bay Area corridor over the Altamont and the Modesto - Stockton - Sacramento corridor. Eligible costs include but are not limited to operations, locomotives and passenger cars, track improvements, train and grade crossing controls.
- **Bus Transit** promotes bus service between the cities within San Joaquin County for all trip purposes. Expenses for capital such as vehicles and operations are eligible. Funding is used for bus programs to promote peak hour, commute service as well as bus services for the elderly and persons with disabilities. These funds can be used for park and ride lots, express bus service, greater frequencies on existing peak hour routes, trip reduction programs to new employment centers and service to other counties. The San Joaquin Regional Transit District (SJRTD) is to receive a minimum allocation of 50% for programs in this category.
- **Bus Rapid Transit Capital** provides funding specifically for infrastructure to support Bus Rapid Transit service. Bus Rapid Transit provides express bus service with fewer stops and higher frequencies that are similar to light rail. Bus Rapid Transit requires priority to be given to buses through traffic signal priority and could allow buses to run on designated high occupancy roadway lanes or separate lanes, including off roadway corridors. Bus Rapid Transit can include interregional/intra-city commute, inter-city, and elderly/persons with disabilities bus service.
- **Bicycles, Pedestrians, and Safe Routes to School** promotes pedestrian/bicycle facility projects including commute facilities, recreational facilities, cross walks, traffic calming projects, and safe routes to schools.

RAILROAD CROSSING SAFETY PROJECTS – These are projects to provide motorist safety at railroad crossings. Projects include grade separation facilities, meant to separate roadways from railroads, as well as at-grade improvements. A list of potential underpasses or overpasses of railroad tracks on local streets and roads throughout San Joaquin County has been presented. The Authority will adopt criteria to prioritize the listing.

SAN JOAQUIN COUNTY TRANSPORTATION AUTHORITY

The San Joaquin Council of Governments is designated the San Joaquin County Local Transportation Authority, pursuant to the provisions of Public Utilities Code Section I, Division 19 commencing with Section 180000. The Local Transportation Authority was created by the San Joaquin County Board of Supervisors to carry out the activity delineated in the San Joaquin County Local Transportation Improvement Plan.

SJCOG Board Members

Fiscal Year 2005-06

Councilman Gary L. Haskin, Chair - City of Escalon
Councilman John W. Harris, Vice Chair - City of Manteca
Supervisor Jack Sieglock - San Joaquin County
Mayor Gloryanna Rhodes - City of Lathrop
Mayor Dan Bilbrey - City of Tracy
Vice Mayor Gary Giovanetti - City of Stockton
Councilman Larry Hansen - City of Lodi
Supervisor Victor Mow - San Joaquin County
Mayor Ed Chavez - City of Stockton
Mayor Chuck Winn - City of Ripon
Supervisor Leroy Ornellas – San Joaquin County
Councilman Dan Chapman – City of Stockton

Ex-Officio Members

Jane Perez - Caltrans District 10
Ron Coale - Port of Stockton
Duane Isetti- San Joaquin Regional Transit District

STATEMENT OF PRINCIPLES

The San Joaquin Council of Governments (SJCOG) is designated as the Local Transportation Authority (LTA) for the county under the provisions contained in SB 142 (Chapter 786, Statutes of 1987) in order to carry out the activities described in this Expenditure Plan. The Plan was prepared by the San Joaquin Council of Governments in concert with community leaders, elected officials, management and technical staff from member cities and the County and interested members of the general public. The Local Transportation Authority's principles are as follows:

1. A balanced transportation network of highways, local streets, rail and bus transit and regional planning is necessary to preserve the quality of life and a healthy viable economy for San Joaquin County residents.
2. Improved air quality is an important goal for San Joaquin County as well as the entire San Joaquin Valley. Alternatives to the single occupant automobile are important contributors to improved air quality. The implementation of this Plan must be consistent with the adopted Air Quality Plan for San Joaquin County and the San Joaquin Valley Air Basin.
3. It is estimated that there is currently a need for over \$7.0 billion to fund:
 - Street repair, safety and improvements on local streets and roads;
 - Congestion relief projects to accommodate existing crowding of streets and highways;
 - Capital and operating assistance for passenger rail and bus service;
 - Local match requirements for state and federal funding.
4. State and Federal monies are insufficient to meet San Joaquin County's transportation needs. A local retail transactions and use tax for transportation improvements has been demonstrated to be the funding method best suited to match other revenue sources to meet San Joaquin County's needs.
5. All investments in capital facilities and improvements will look at alternatives to widening freeways that provide more cost effective solutions for intra-county transportation and must be within San Joaquin County or directly service the interests of San Joaquin County residents.
6. In order to accommodate San Joaquin County population growth so that it does not occur at the expense of current residents, the cities and the county in San Joaquin will maintain and collect both local traffic mitigation fees and a regional transportation impact fee to pay for growth-induced transportation facilities.
7. To receive Local Street Repair and Roadway Safety funding the cities and the county in San Joaquin must have adopted both local traffic mitigation fees and a regional transportation impact fee.
8. To implement the Plan, management, technical and most importantly citizen oversight is essential.

SMART GROWTH INCENTIVE PROGRAM

A minimum of \$65 million in federal transportation funding or Measure K funding will be made available during the life of the Measure K Renewal program for smart growth incentives to local jurisdictions in San Joaquin County. These funds will be available for infrastructure improvements that will assist local agencies in better integrating transportation and land use, such as street calming, walkable community projects, transit amenities and alternative modes of transportation. These funds will be available to enhance infill development, neighborhood revitalization and downtown improvements.

CATEGORICAL ALLOCATIONS

The proceeds collected from the sales tax authorized by the San Joaquin County Local Transportation Improvement Plan shall be allocated to eligible projects based on the formula provided in Table 1.

TABLE 1

ANTICIPATED SAN JOAQUIN COUNTY THIRTY YEAR REVENUE FROM A ½ % SALES TAX FOR CATEGORICAL ALLOCATIONS

Thirty Year Revenue Total in 2005 Dollars: \$2,522,000,000

CATEGORICAL ALLOCATIONS (30-Year Estimate in 2005 Dollars)

NET FOR ALLOCATION			\$2,522,000,000
LOCAL STREET REPAIR AND ROADWAY SAFETY			
	35%		\$883,000,000
Local Street Repair	86%	\$759,000,000	
Roadway Safety	14%	\$124,000,000	
CONGESTION RELIEF PROJECTS			
	32.5%		\$820,000,000
PASSENGER RAIL, BUS AND BICYCLES			
	30%		\$756,000,000
Passenger Rail Transit	39%	\$295,000,000	
Bus Transit	49%	\$370,000,000	
Bus Rapid Transit Capital	5%	\$38,000,000	
Bicycles, Pedestrians, and Safe Routes to Schools	7%	\$53,000,000	
RAILROAD CROSSING SAFETY IMPROVEMENTS			
	2.5%		\$63,000,000

These revenue allocations are for illustrative purposes and are estimates only. Actual allocations to each category will be based on the percentages listed above.

CATEGORY DESCRIPTIONS

CONGESTION RELIEF IMPROVEMENTS

Thirty-two and one-half percent (32.5%) of the net revenue generated under this measure will be allocated to regional capacity improvement projects. For the purposes of this Plan, "capacity improvement projects" are those capital projects which add lanes to roadways, improve traffic operations, or expand transit capabilities. The cost of these congestion relief projects can include such items as traffic signals, channelization, curbs and gutters, shoulders, bus rapid transit infrastructure, capital improvements at the Stockton Metropolitan Airport, project development, etc. as long as these costs are directly related to the project.

STATE HIGHWAY PROJECTS

Many more state highway improvement projects are needed to address the congestion and safety problems than existing state and federal revenues can fund. Of the total funds available in the Congestion Relief Category, sixty percent (60%) of the funds will be used to match federal and state revenues to complete projects of benefit to the state highway system including, but not limited to:

Interstate 205

Widen from 6 to 8 lanes between I-580 and I-5

Interstate 5

Widen from 6 to 8 through lanes between I-205 and Eight Mile Road

Route 4 (Crosstown Freeway)

Improve interchanges with I-5 and Route 99

Route 12

Widen from 4 to 6 lanes between Lower Sacramento Road and Route 99, widen from 2 to 4 lanes between Lower Sacramento Road and I-5, provide safety and operational improvements between I-5 and Bouldin Island, and reconstruct the Route 99/Route 12 West Interchange

Route 12 / Route 88

Widen from 2 to 4 lanes within the joint Route 88/Route 12 corridor

Route 99

Widen from 4 to 6 lanes between Route 120 and Route 4 (Crosstown Freeway)

Route 120

Widen from 4 to 6 lanes between I-5 and Route 99

Highway Access to the Port of Stockton

Improve access to the Port of Stockton from I-5 while enhancing the Boggs Tract community by extending the Stockton Crosstown Freeway to the west from its terminus at Fresno Avenue to the Port of Stockton

Interstate 205 Parallel Rail Freight Shuttle

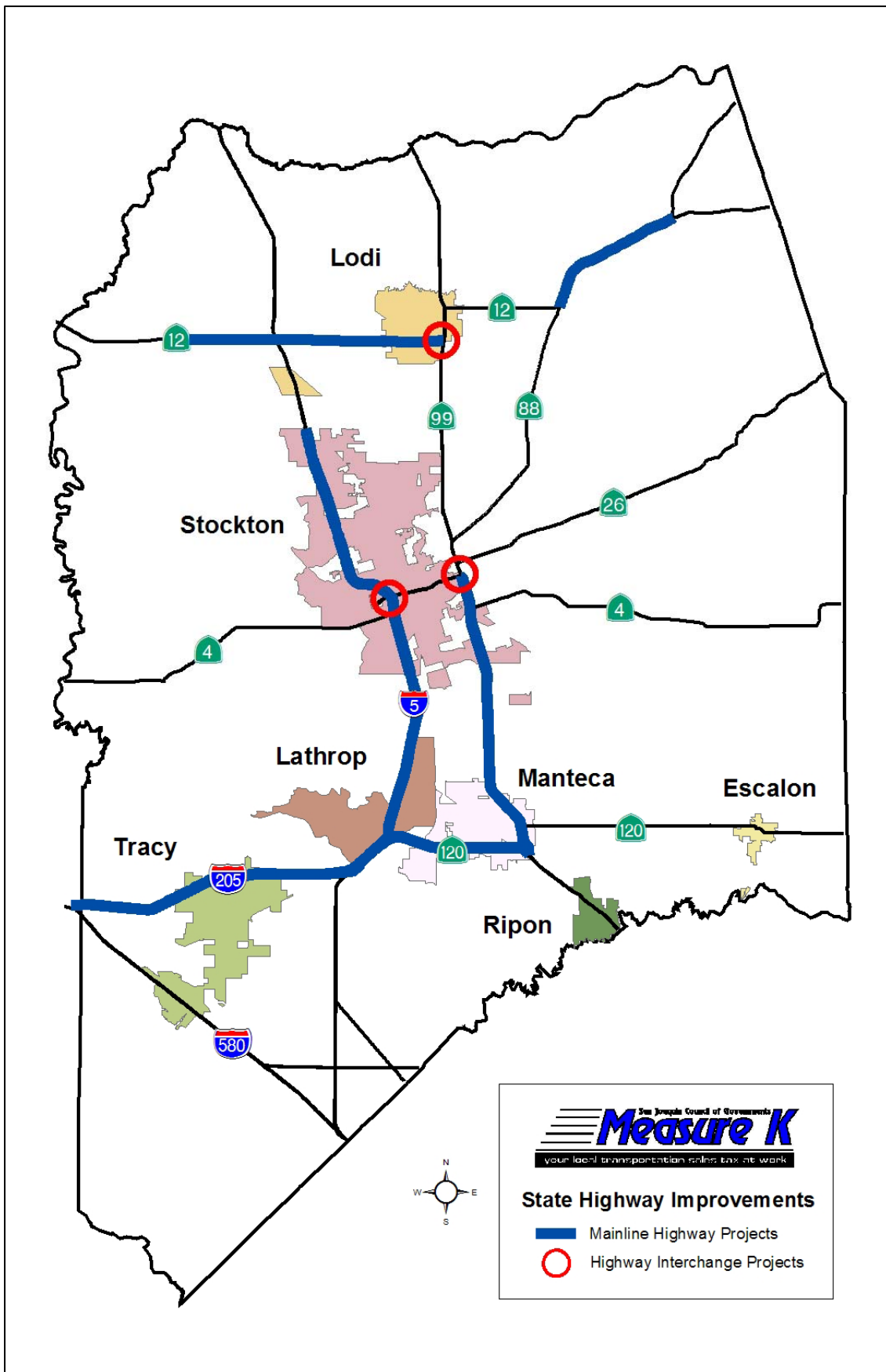
Implement rail freight shuttle between the Port of Stockton and Port of Oakland to divert truck freight traffic from the I-205 corridor

Stanislaus River Crossing

Construct a new bridge across the Stanislaus River parallel to Route 99 in the Ripon Area

Freeway Service Patrol

Provide motorist assistance on priority state highways to reduce congestion caused by disabled vehicles



REGIONAL ARTERIAL PROJECTS

Forty percent (40%) of the Congestion Relief Category funding may be used to match state and local revenues as well as regional transportation impact fee funding to provide capacity improvements to regional arterials in each of the cities and County of San Joaquin. These funds are apportioned to the local jurisdictions according to their proportionate share of the total incorporated and unincorporated population. The local jurisdictions will identify and prioritize projects for funding requests to the Authority. The Authority will allocate funds consistent with the Regional Transportation Plan. Projects that have an approved Project Study Report, or equivalent, and are included in the Regional Transportation Plan will receive an allocation approval automatically from the Authority in the first ten years of the program (2011 to 2021) so long as the allocation does not exceed the total Congestion Relief funds available to that jurisdiction over the life of the Measure K program. Should revenue projections show an increase in funding in the program, jurisdictions can seek an additional allocation for a project even if it has already received a previous allocation. Eligible projects include, but are not limited to:

Escalon Planning Area:

Campbell Road Extension

Construct 2-lane extension of Campbell Road between Sante Fe Avenue and Rt. 120.

Ullrey Avenue / McHenry Avenue Intersection

Reconstruct intersection of Ullrey Avenue and McHenry Avenue including addition of turn pockets, improvement of traffic signal and installation of train pre-emption system for UPRR railroad crossing.

California Street / McHenry Avenue Intersection

Relocate intersection of California Street and McHenry Avenue to include realignment of California Street to a new 4-way intersection of California Street, Weiss Way and McHenry Avenue.

McHenry Avenue Widening

Widen from 2 to 4 lanes between Roosevelt Avenue and First Street including relocation of traffic signal at intersection of First Street and McHenry Avenue.

Escalon-Bellota Road

Widen from 2 to 4 lanes between Mariposa Road and Escalon City limit.

Lathrop Planning Area:

Interstate 5 / Louise Avenue Interchange

Reconstruct interchange of I-5 and Louise Avenue.

Interstate 5 / Lathrop Road Interchange

Reconstruct interchange of I-5 and Lathrop Road.

Lodi Planning Area:

Pine Street

Widen from 2 to 3 lanes between Cherokee Lane and Beckman Road.

Victor Road

Widen from 2 to 4 lanes between Cluff Avenue and the eastern General Plan boundary including construction of median as well as capacity, signalization, and safety improvements at Route 99.

Hutchins Street

Widen from 3 to 4 lanes between Kettleman Lane and Lodi Avenue.

Harney Lane

Widen from 2 to 4 lanes between Lower Sacramento Road and Rt. 99 including construction of raised landscaped median.

Ham Lane

Widen from 2 to 4 lanes between Lodi Avenue and Elm Street.

Route 99 / Harney Lane Interchange

Reconstruct interchange of Rt. 99 and Harney Lane.

Route 99 / Turner Road Interchange

Provide capacity, signalization, and safety improvements at the interchange of Rt. 99 and Turner Road.

Turner Road

Widen from 2 to 4 lanes between I-5 and the Lodi City limits

Manteca Planning Area:**Route 120 / McKinley Avenue Interchange**

Construct new interchange at Rt. 120 and McKinley Avenue.

Route 99 / Austin Road Interchange

Reconstruct interchange of Rt. 99 and Austin Road.

Louise Avenue

Improvements (Main to Rt. 99)

Route 120 / Main Street Interchange

Reconstruct interchange of Rt. 120 and Main Street.

Route 120 / Airport Way Interchange

Reconstruct interchange of Rt. 120 and Airport Way.

Route 120 / Union Road Interchange

Reconstruct interchange of Rt. 120 and Union Road.

Airport Way

Widen from 2 to 4 lanes between Lathrop Road and French Camp Road and from 4 to 6 lanes between French Camp Road and Arch Road

Ripon Planning Area:

Stockton Avenue

Widen from 2 to 4 lanes between 2nd Street and 5th Street.

Route 99 / Main Street / UPRR Interchange

Reconstruct interchange of Rt. 99 and Main Street including reconstruction of Main Street overcrossing of UPRR and intersection improvements at Stockton Avenue and East Main Street.

Route 99 / Wilma Avenue / UPRR Interchange

Reconstruct interchange of Rt. 99 and Wilma Avenue including reconstruction of Wilma Avenue overcrossing of UPRR.

Route 99 / Jack Tone Road / UPRR Interchange

Equity adjustment for reconstructing the interchange of Rt. 99 and Jack Tone Road including reconstruction of Jack Tone Road overcrossing of UPRR.

Route 99 / Olive Avenue / UPRR Interchange

Construct new interchange of Rt. 99 and Olive Avenue including construction of an overcrossing of UPRR.

Jack Tone Road

Widen from 2 to 4 lanes between Ripon City limits and Mariposa Road.

Stockton Planning Area:

Pacific Avenue

Widen from 6 to 8 lanes between the Calaveras River and Hammer Lane including reconstruction of intersections, addition of turn and acceleration/deceleration lanes, and reconstruction/extension of a raised landscaped median.

Thornton Road

Widen to 6 lanes between Bear Creek and Hammer Lane including reconstruction of intersections, addition of turn and acceleration/deceleration lanes, and construction of a raised landscaped median.

Eight Mile Road Expressway

Widen to 8 through lanes between I-5 and Rt.99 including reconstruction of intersections, addition of turn and acceleration/deceleration lanes, and construction of a raised median.

Airport Way

Reconstruct intersections, add turn lanes, and install traffic signal improvements between Harding Way and Industrial Drive

Mariposa Road

Widen from 2 to 4 lanes between Rt. 99 and Jack Tone Road.

Interstate 5 Widening and Improvements

Route 99 Widening and Improvements

Tracy Planning Area:

Corral Hollow

Widen from 2 to 4 lanes between Linne Road and Parkside Road including construction of median and sidewalk.

Mac Arthur Drive

Widen from 2 to 4 lanes between Valpico Road and Schulte Road including construction of median and sidewalk. Construct 4 lane extension of Mac Arthur Drive between Monte Diablo Road and Eleventh Street including construction of median and sidewalk.

Grant Line Road

Widen from 2 to 4 lanes between Parker and Mac Arthur Drive including construction of median and sidewalk.

Schulte Road

Construct 4 lane extension of Schulte Road between west of Corral Hollow Road and Lammers Road including construction of median and sidewalk.

Interstate 205 / Lammers Road Interchange

Construct new interchange of I-205 and Lammers Road.

Interstate 205 / Mac Arthur Drive Interchange

Improve ramps at interchange of I-205 and Mac Arthur Drive.

Eleventh Street

Improve roadway between Mac Arthur Drive and I-5 including installation of traffic signal and/or roundabout improvements at intersections, center median, and an eastbound auxiliary lane at selected areas of Eleventh Street corridor.

Linne Road

Widen from 2 to 4 lanes between Tracy Boulevard and Chrisman Road.

LOCAL STREET REPAIRS AND ROADWAY SAFETY

Cities and the County will share thirty-five percent (35%) of the net sales tax revenue for local street repairs, roadway safety and operations improvements as determined by the local jurisdiction. Local jurisdictions will receive an annual funding allocation on a formula basis according to a baseline allocation and the sales tax revenue increase over the baseline allocation. The baseline allocation is the highest annual total of Local Street Repair funding collected in either 2008, 2009, or 2010 divided 50% to San Joaquin County, 50% to the incorporated cities. Individual city allocations are by their proportionate share of the total incorporated population. The baseline allocation will be increased annually for inflation by 3% or the actual annual growth in sales tax revenue if the actual annual sales tax growth rate is below 3%. The increase over baseline allocation will be divided between all jurisdictions by population percentage of the total incorporated and unincorporated population. The County of San Joaquin is guaranteed an annual minimum of 40% of the combined Local Street Repair and Roadway Safety funding. An annual minimum of \$300,000 is guaranteed to all jurisdictions. This formula will be reviewed and, if necessary, revised after fifteen years. These funds must be used to augment current transportation spending and cannot be used to replace general fund expenditures.

Local Street Repair

Local Street Repair includes expenditures to rehabilitate local roadways as determined by the local jurisdiction. It is the intent of the California State Legislature and the Authority that revenues provided under this measure be used to supplement existing revenues being used for local street maintenance projects and programs.

Maintenance of Effort Policy:

- A JURISDICTION CANNOT REDIRECT MONIES CURRENTLY BEING USED FOR LOCAL STREET MAINTENANCE PURPOSES TO OTHER USES, AND THEN REPLACE THE REDIRECTED FUNDS WITH LOCAL STREET MAINTENANCE DOLLARS FROM THE RETAIL TRANSACTION AND USE TAX. To meet the requirements of state law, a jurisdiction must demonstrate maintenance or a minimum level of local street and road expenditures in conformance with procedures adopted in ordinance by the Authority. Monies from this program may not go to a city's or the County's "General Fund".
- The Authority shall annually update the base year and preceding three year base period for the establishment of an annual minimum based on the information available from the State Controller's Annual Report of Financial Transactions for Streets and Roads.
- An annual independent audit will be conducted to verify that the Maintenance of Effort requirements were met by the local jurisdictions. Any local jurisdiction which does not meet its Maintenance of Effort requirement in any given year may have its Local Street Repair funding reduced in the following year by the amount by which the jurisdiction did not meet its required Maintenance of Effort. Such funds shall be redistributed to the remaining eligible jurisdictions.
- A jurisdiction may use monies from this source to offset the loss of traffic fee revenue from exempted "affordable housing units" as defined in the Regional Fair Share Housing Plan.
- Local jurisdictions may "lend" any of their allocation to another agency so that projects could be expedited as long as a formal agreement is executed by all agencies involved and is approved by the Authority.

Roadway Safety

Roadway Safety includes expenditures to promote safety improvements on local roadways as determined by the local jurisdiction. Local jurisdictions will provide an annual report of roadway safety projects completed with Roadway Safety funding as part of the annual independent audit of maintenance of effort for Local Street Repair funding.

Eligible projects that may be funded under this program include, but are not limited to:

- Median barriers and guard rails
- Roadway shoulders
- Traffic signal synchronization
- Acceleration/deceleration lanes
- Emergency vehicle traffic signal pre-emption systems
- Raised fog reflectors
- Turn lanes and pockets
- Safe routes to schools
- Roadway realignments

PASSENGER RAIL, BUS AND BICYCLES

Thirty percent (30%) of the net sales tax revenue generated in the Measure K program will be allocated for passenger rail transit, bus transit, and pedestrian/bicycle projects. The objective of this category is to provide alternatives to the use of automobiles as a means of intercity and commute transportation. This is an important step in improving air quality in addition to enhancing the mobility of persons without access to private automobiles, the elderly, and persons with disabilities of San Joaquin County. It is the intent to use sales tax revenue to match and supplement state and federal funds. All investments in capital items or facilities will be within San Joaquin County or directly service the interests of San Joaquin County residents.

Passenger Rail Transit

Passenger Rail Transit includes expenditures to promote and upgrade commuter rail service provided by the Altamont Commuter Express (ACE) service. This category is intended primarily for capital purchases. Eligible costs include operations. The two primary corridors identified for rail service are:

1. Stockton – Bay Area
2. Modesto – Stockton – Sacramento

Eligible projects that may be funded under this program include, but are not limited to:

- ACE stations
- Track improvements
- Locomotives and rail passenger cars
- Grade crossing controls
- Connections to BART and other transit systems
- Service planning and studies
- Ripon Multimodal Station

Bus Transit

Bus Transit includes interregional/intra-city commute, inter-city, and elderly/persons with disabilities bus service. Inter-city and Elderly/Persons with Disabilities Service promotes both bus service between the cities within San Joaquin County for all trip purposes and specialized elderly/persons with disabilities bus service throughout San Joaquin County. Interregional/Intra-city Commute Service includes bus programs to promote peak hour, commute service. To address needs in the next two funding categories, the Authority shall prepare and update every five years a 20-year Regional Transit Systems Plan to allocate monies from this program to promote the ridership on and the efficiency of peak hour, commute time and intercity bus service. The San Joaquin Regional Transit District is to receive a minimum of 50% of the funds allocated from this program for implementing the projects identified above in conformance with the Regional Transit Systems Plan. Local jurisdiction transit programs are eligible to apply for funding provided that, with the exception of local jurisdictions less than 75,000 in population, the San Joaquin Regional Transit District and the San Joaquin Regional Rail Commission, none of their Transportation Development Act (TDA) local transportation funding (LTF) is claimed or reclaimed under Public Utilities Code, Chapter 4, Article 8, Section 99400a for local streets and roads purposes, excluding pedestrian and bicycle facilities.

An amount equal to 50% of the City of Ripon's and the City of Escalon's share of the transit category based upon population will be made available for transit service to the Modesto area from those communities. Any funds not used by the Cities of Ripon and Escalon will be made available for regional transit purposes.

Interregional/Intra-City Commute Service

These funds are to provide additional peak hour service to foster more commute trip making on transit. Funding would be available for both capital and operations. Funding could go towards any project that promotes the use of alternative transportation during the commute hours and is available to local jurisdictions providing bus transit service. This funding category is to supplement and not to replace funding for existing service, excluding those services funded under the 1990 Measure K program. This program is also available for facilities and the promotion of rideshare alternatives such as carpools, vanpools, and buspools.

Eligible projects that may be funded under this program include, but are not limited to:

- Bus service to employment centers in other counties such as Alameda, Sacramento and Stanislaus.
- Bus service to regional education centers.
- Greater frequencies on existing peak hour intra-city bus routes.
- Express Bus Service on I-5 and Route 99
- Region-wide ride share program
- Park and ride lot locations in San Joaquin County
- Bus Rapid Transit operations

Inter-City and Elderly/Persons with Disabilities Transit

Eligible projects that may be funded under this program in the following priority order include, but are not limited to:

- Inter-city bus service between Stockton and the Cities of Lodi, Manteca, Lathrop, Tracy, Escalon and Ripon for all trip purposes.
- Capital purchases such as vehicles for providing transit service in all communities to the elderly, persons with disabilities, and the transportation disadvantaged.
- Operating expenses for transit service to the elderly, persons with disabilities, and the transportation disadvantaged.
- Bus Rapid Transit operations

Bus Rapid Transit Capital

Bus Rapid Transit provides express bus service with fewer stops and higher frequencies that are similar to light rail. Bus Rapid Transit requires priority to be given to buses through traffic signal priority and could allow buses to run on designated high occupancy roadway lanes or separate lanes, including off roadway corridors. Bus Rapid Transit can include interregional/intra-city commute, inter-city, and elderly/persons with disabilities bus service. Bus Rapid Transit Capital provides funding specifically for infrastructure to support Bus Rapid Transit service. Local jurisdiction transit programs are eligible to apply for funding provided that, with the exception of local jurisdictions less than 75,000 in population, the San Joaquin Regional Transit District and the San Joaquin Regional Rail Commission, none of their Transportation Development Act (TDA) local transportation funding (LTF) is claimed or reclaimed under Public Utilities Code, Chapter 4, Article 8, Section 99400a for local streets and roads purposes, excluding pedestrian and bicycle facilities.

Eligible projects that may be funded under this program include, but are not limited to:

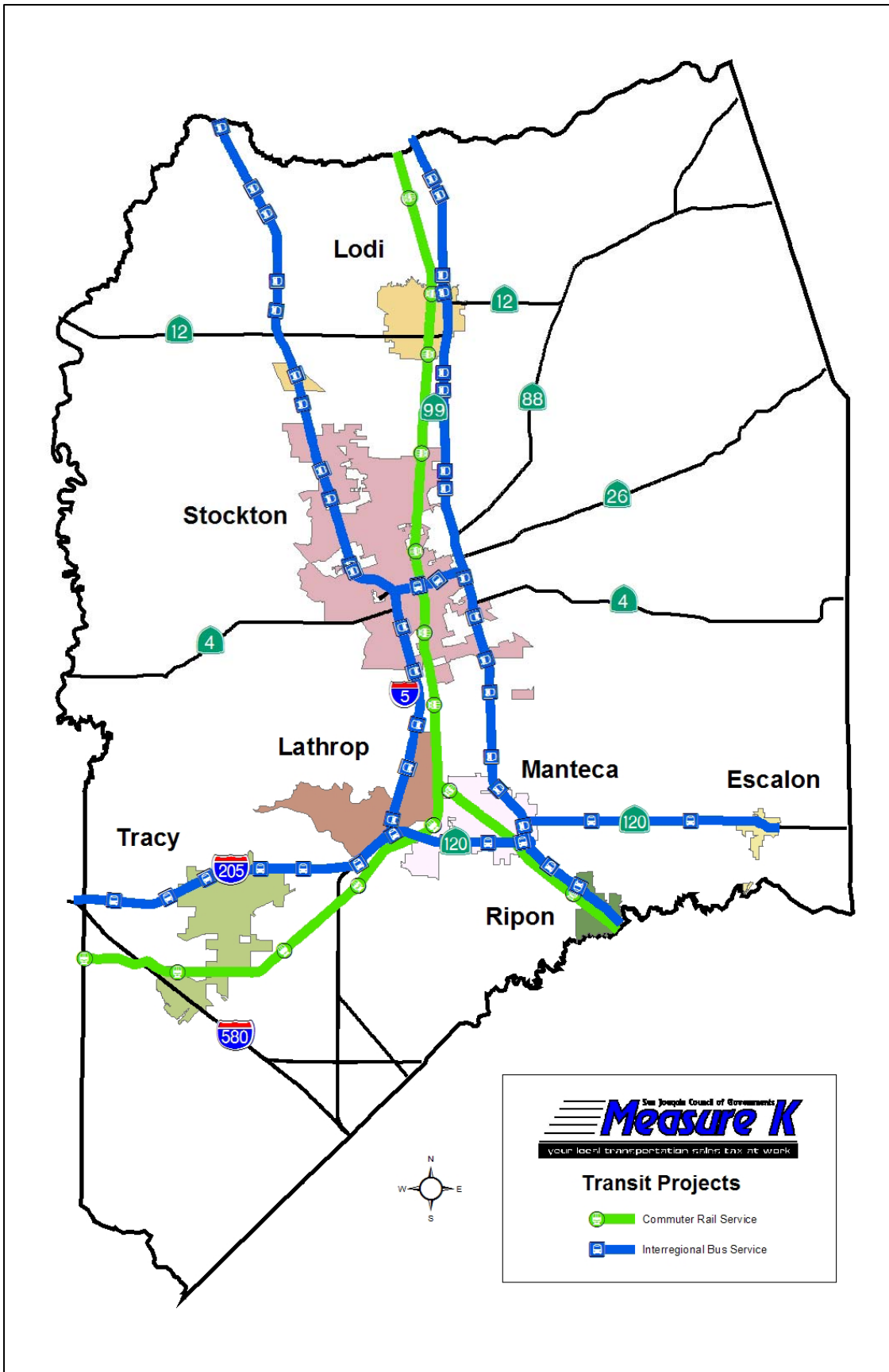
- Dedicated bus lanes
- Stations
- Turnouts
- Fare collection systems
- Traffic signal pre-emption systems for buses

Bicycles, Pedestrians, and Safe Routes to School

These funds are to expand and enhance pedestrian and bicycle safety and facilities within San Joaquin County. These projects may include improving existing pedestrian and bicycle facilities and/or planning, developing, and constructing new facilities. Sixty percent (60%) of the funds will be allocated according to a competitive grant process. Forty percent (40%) of the funds will be allocated to the local jurisdictions according to their proportionate share of the total incorporated and unincorporated population. All local jurisdictions, the San Joaquin Regional Transit District, and the San Joaquin Regional Rail Commission are eligible to apply for the competitive funding. It is intended that these funds be used to match federal, state, local, and private funding to maximize the number of improvements to be implemented.

Eligible projects that may be funded under this program include, but are not limited to:

- Bicycle commute facilities on separate rights-of-way
- Recreational pedestrian and bicycle facilities
- Traffic calming devices
- Cross walks
- Pedestrian/bicycle overcrossings
- Safe routes to schools



RAILROAD CROSSING SAFETY

Two and one-half percent (2.5%) of the net revenue generated under this measure will be allocated to railroad crossing safety projects. Railroad crossing safety projects include grade separation facility projects, meant to separate local roads and streets from railroads, as well as at-grade improvements. Grade separations can be done through the construction of overpasses or underpasses. Funds will be used to match state and local revenues to fund the following list of eligible railroad crossing safety projects. The Authority will adopt criteria to prioritize the listing.

Escalon Planning Area:

Escalon BNSF Crossing

Construct grade separation or at-grade improvements of BNSF railway crossings at location in City of Escalon to be determined through local arterial circulation analysis.

Lathrop Planning Area:

Lathrop Road / UPRR (Westerly)

Construct grade separation of roadway and railway.

Lodi Planning Area:

Harney Lane / UPRR

Construct grade separation of roadway and railway.

Lodi Avenue / UPRR

Construct safety improvements of railway crossing.

Lower Sacramento Road / UPRR (near Woodson Road)

Construct grade separation of roadway and railway.

Davis Road / UPRR

Construct grade separation of roadway and railway.

Turner Road / UPRR

Construct grade separation of roadway and railway.

Manteca Planning Area:

Airport Way / UPRR

Construct at-grade improvements of railway crossing.

Ripon Planning Area:

Route 99 / Main Street / UPRR

Reconstruct overcrossing of railway as part of interchange reconstruction project.

Route 99 / Wilma Road / UPRR

Reconstruct overcrossing of railway as part of interchange reconstruction project.

Stockton Planning Area:

Eight Mile / UPRR (Westerly)

Construct grade separation of roadway and railway.

Eight Mile / UPRR (Easterly)

Construct grade separation of roadway and railway.

Airport Way / BNSF

Construct at-grade improvements of railway crossing.

8th Street / UPRR

Construct grade separation of roadway and railway.

Lower Sacramento Road / UPRR

Construct grade separation of roadway and railway.

Morada Lane / UPRR (Westerly)

Construct grade separation of roadway and railway.

West Lane / UPRR

Construct grade separation of roadway and railway.

Alpine Road / UPRR (Westerly)

Construct grade separation of roadway and railway.

Alpine Road / UPRR (Easterly)

Construct grade separation of roadway and railway.

Tracy Planning Area:

Chrisman Road / UPRR

Construct grade separation of roadway and railway.

ADMINISTRATION

LOCAL TRANSPORTATION AUTHORITY ADMINISTRATION

The Authority will hire the staff and professional assistance required to administer the proceeds of the tax and carry out the mission outlined in this Expenditure Plan.

- The total administrative cost of salaries and benefits of the staff of the Authority shall not exceed one percent (1%) of the gross revenues generated by the measure. These costs include salaries, wages, benefits, overhead, auditing and those services including contractual services necessary to administer this Plan.
- An annual independent audit shall be conducted to assure that the revenues expended by the Authority under this section are necessary and reasonable in carrying out its responsibilities under the Ordinance.
- The Authority will prepare an annual report, identifying the total expenditures for administration, as well as other costs associated with delivering the program.
- An annual budget will be adopted by the Authority each year. The budget will project the expected sales tax receipts, other anticipated funds, and planned expenditures for administration, programs, and projects. The Strategic Plan can serve as the budget.

AUTHORITY COMMITTEES

The following committee structure will advise the Authority in the administration of the Expenditure Plan.

- ***The Management and Finance Committee*** will guide administrative and financial decisions of the Local Transportation Authority and is to be composed of City Managers, the County Administrator, the General Manager of the San Joaquin Regional Transit District, and the Executive Director of the San Joaquin Regional Rail Commission.
- ***The Technical Advisory Committee*** will serve as the Authority's technical advisory committee and be composed of Directors from the area Public Works Departments, Planning Departments, Caltrans District 10, the San Joaquin Regional Transit District, the San Joaquin Regional Rail Commission, the Air Pollution Control District, and any other agency the Authority so names.
- ***The Citizens Review Committee*** will serve to provide community input on project priorities, scheduling, amendments, and any other activity the Authority so designates. The Authority must create a Citizens Review Committee that fairly represents the geographical, social, cultural, and economic mix of the region.

STRATEGIC PLAN

The Authority will prepare a Strategic Plan every two years. The Strategic Plan will be the master document for delivery of the Expenditure Plan projects and can be amended at any time. The purposes of the Strategic Plan are as follows:

- Defines the scope, cost, and schedule of each project
- Identifies accomplishments and critical issues
- Lists a set of amendments to these projects
- Details the revenue projections and possible financing tools needed to deliver the Expenditure Plan
- Gathers into one document the policies and procedures of the Expenditure Plan
- Serve as annual budget

AMENDMENTS TO THE EXPENDITURE PLAN

The Authority may annually review and propose amendments to the Expenditure Plan to provide for the use of additional federal, state and local funds, to account for unexpected revenues, or to take into consideration unforeseen circumstances. The Authority shall act on only one package of amendments per fiscal year. Amendments to the Expenditure Plan must be passed by a two thirds majority of the Authority. The Authority shall notify the Board of Supervisors, the City Council of each city in the county and provide each entity with a copy of the proposed amendment(s). Pursuant to Public Utilities Code 180207, proposed amendment(s) shall become effective 45 days after notice is given, unless appealed under the process outlined in the Ordinance. The Authority shall hold a public hearing on the proposed amendment(s) within this 45 day period.

MANDATORY DEVELOPMENT FEES

All communities in San Joaquin County must have adopted both a local development fee program for traffic mitigation and the Regional Transportation Impact Fee. Should a jurisdiction not have a local traffic impact mitigation fee and the Regional Transportation Impact Fee in place by the last day of the fiscal year, then all revenue apportioned to that community under the Local Street Repair Program will be reapportioned for the following fiscal year among all the eligible jurisdictions based on the adopted formula.

TAXPAYER ACCOUNTABILITY SAFEGUARDS

LEGAL DEDICATION OF FUNDS

Measure K funds may only be used for transportation purposes as described in the local ordinance governing this program, including the construction, environmental mitigation of transportation projects, capital activities, acquisition, maintenance, and operation of streets, roads, highways, including state highways and public transit systems and for related purposes. These purposes include but are not limited to expenditures for the planning, environmental reviews, engineering and design costs, related right-of-way acquisition, and construction, engineering and administration.

MANDATORY ANNUAL FISCAL AUDIT

No less than annually, the Authority shall conduct an independent fiscal audit of the expenditure of all sales tax funds raised by this measure. The audit, which shall be made available to the public, shall report on evidence that the expenditure of funds is in accordance with the San Joaquin County Transportation Improvement Plan as adopted by the voters in approving the sales tax measure on November 2, 2006. In addition, the audit shall determine that Maintenance of Effort requirements and local government participation in both the Regional Transportation Impact Fee Program as well as a local developer fee program for traffic mitigation. The audit shall also insure that no more than one percent (1%) of total sales tax expenditures is used for administrative staff salaries and benefits in implementing this Plan.

MANDATORY PLAN UPDATE AND TERMINATION OF SALES TAX

This Plan shall be updated by the Authority every ten years that the sales tax is in effect to reflect current and changing priorities and needs in the County, as defined by the duly elected local government representatives on the Authority Board. Any changes to this Plan must be adopted in accordance with current law in effect at the time of the update and must be based on findings of necessity for change by the Authority. The sales tax authorized to be collected by the voters shall be terminated on March 31, 2041, unless reauthorized by the voters to extend the sales tax prior to the termination date as required under state law in effect at the time of the vote for extension. For the purpose of this and future sales tax extensions, sales tax collected under this plan may be used to reimburse the Authority for costs associated with drafting a successor plan, conducting a Programmatic Environmental Impact Report, and the election.



CITY OF LODI COUNCIL COMMUNICATION

TM

AGENDA TITLE: Adopt 1) Resolution Accepting Certificate of Sufficiency of Petition for the Water Rate Reduction Initiative Submitted by Jane Lea and Dawn Squires; and 2) Resolution to Place the Measure on the Ballot for the November 7, 2006, General Municipal Election

MEETING DATE: June 7, 2006

PREPARED BY: City Clerk

RECOMMENDED ACTION: That the City Council adopt 1) resolution accepting Certificate of Sufficiency of Petition for the Water Rate Reduction Initiative submitted by Jane Lea and Dawn Squires; and 2) resolution to place the measure on the ballot for the November 7, 2006, General Municipal Election.

BACKGROUND INFORMATION: On February 10, 2006, Jane Lea and Dawn Squires filed an intention to circulate a petition, which was accompanied by the text of the initiative (*see Exhibit A to staff report*). On May 5, 2006, the petition was filed in the City Clerk's Office, and a prima facie check was conducted in accordance with Elections Code §9210. Subsequently, the San Joaquin County Registrar of Voters conducted a random sample examination of the petition and determined the projected number of valid signatures to be 4,020, which was more than the 2,967 (*i.e. 10% of the voters of the city*) required signatures to qualify. The Registrar's certification of the petition is attached as an exhibit to the City Council resolution accepting the Certificate of Sufficiency. In accordance with Elections Code §9114, the City Clerk hereby certifies the results of the examination to the City Council.

Elections Code §9215 states in part that if the initiative petition is signed by not less than 10 percent of the voters of the city, the legislative body shall do one of the following:

- (a) Adopt the ordinance, without alteration, at the regular meeting at which the certification of the petition is presented, or within 10 days after it is presented.
- (b) Submit the ordinance, without alteration, to the voters. The election for a municipal initiative that qualifies pursuant to Section 9215 shall be held at the jurisdiction's next regular election.
- (c) Order a report at the regular meeting at which the certification of the petition is presented (*see Exhibit B to staff report*). When the report is presented to the legislative body, the legislative body shall order an election pursuant to subdivision (b).

APPROVED: _____
Blair King, City Manager

Adopt 1) Resolution Accepting Certificate of Sufficiency of Petition for the Water Rate Reduction Initiative Submitted by Jane Lea and Dawn Squires; and 2) Resolution to Place the Measure on the Ballot for the November 7, 2006, General Municipal Election
June 7, 2006
Page Two

FISCAL IMPACT: \$900 was expended for the cost of petition signature examination by the San Joaquin County Registrar of Voters, and it is estimated to cost between \$5,000 to \$10,000 to place the measure on the November 7, 2006, ballot.

FUNDING: None required at this time – included in the proposed 2006-07 City Clerk budget.

Jennifer M. Perrin
Interim City Clerk

SJB/jmp

Attachments

EXHIBIT A

WATER RATE REDUCTION INITIATIVE

(Text of Proposed Ordinance)

**AN ORDINANCE BROUGHT BY THE PEOPLE OF THE CITY OF LODI REPEALING
RESOLUTION NO. 2005-203 OF THE LODI CITY COUNCIL “A RESOLUTION OF
THE LODI CITY COUNCIL ESTABLISHING WATER RATES” IN RESPONSE TO THE
WATER UTILITY TAXATION IMPOSED UPON THE PEOPLE**

Whereas regarding purpose.

Whereas the City of Lodi has a legal responsibility to promote the public health, safety,
and trust of the residents of the city of Lodi and

Whereas the City of Lodi has instituted significant increases in water rates without
sufficient public input for the purpose of cleaning up water contamination, the residents
of the City of Lodi request the following ordinance to be placed on the next General
Election ballot.

SECTION 1: The resolution No. 2005-203 of the Lodi City Council “A resolution of the
Lodi City Council establishing water rates” shall be repealed.

SECTION 2: That the Levy of Charges imposed pursuant to section 13.08.010 of the
Lodi Municipal Code shall be repealed.

SECTION 3: That after the date that this ordinance is approved by the voters, all funds
collected under the authority of Resolution No. 2005-203 of the Lodi City Council shall
be refunded to the rate payers of the City of Lodi in a reasonable and prompt time frame.

SECTION 4: This ordinance can only be repealed by a majority vote by the voters of the
City of Lodi on a General Election ballot.

SECTION 5: This ordinance is effective the day approved by the voters of the City of
Lodi.

CALIFORNIA ELECTIONS CODE

9212. (a) During the circulation of the petition, or before taking either action described in subdivisions (a) and (b) of Section 9214, or Section 9215, the legislative body may refer the proposed initiative measure to any city agency or agencies for a report on any or all of the following:

- (1) Its fiscal impact.
 - (2) Its effect on the internal consistency of the city's general and specific plans, including the housing element, the consistency between planning and zoning, and the limitations on city actions under Section 65008 of the Government Code and Chapters 4.2 (commencing with Section 65913) and 4.3 (commencing with Section 65915) of Division 1 of Title 7 of the Government Code.
 - (3) Its effect on the use of land, the impact on the availability and location of housing, and the ability of the city to meet its regional housing needs.
 - (4) Its impact on funding for infrastructure of all types, including, but not limited to, transportation, schools, parks, and open space. The report may also discuss whether the measure would be likely to result in increased infrastructure costs or savings, including the costs of infrastructure maintenance, to current residents and businesses.
 - (5) Its impact on the community's ability to attract and retain business and employment.
 - (6) Its impact on the uses of vacant parcels of land.
 - (7) Its impact on agricultural lands, open space, traffic congestion, existing business districts, and developed areas designated for revitalization.
 - (8) Any other matters the legislative body requests to be in the report.
- (b) The report shall be presented to the legislative body within the time prescribed by the legislative body, but no later than 30 days after the elections official certifies to the legislative body the sufficiency of the petition.

RESOLUTION NO. 2006-_____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LODI,
CALIFORNIA, ACCEPTING CERTIFICATE OF SUFFICIENCY OF
PETITION FOR THE WATER RATE REDUCTION INITIATIVE

WHEREAS, on May 5, 2006, the City Clerk's Office received an initiative petition from Jane Lea and Dawn Squires regarding water rate reduction; and

WHEREAS, said petition must contain 2,967 valid signatures, which is 10% of the voters in the City of Lodi as last officially reported by the county elections office to the Secretary of State effective at the time the notice, title, and summary of the initiative was published (March 7, 2006); and

WHEREAS, the San Joaquin County Registrar of Voters has conducted an examination of the petition and determined it to be sufficient. In accordance with Elections Code §9114, the City Clerk hereby certifies the results of the examination to the City Council as set forth in the attached Certificate of Sufficiency of Petition (marked Exhibit A).

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council hereby accepts the Certificate of Sufficiency for the initiative petition submitted by Jane Lea and Dawn Squires regarding water rate reduction.

Dated: June 7, 2006

I hereby certify that Resolution No. 2006-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held June 7, 2006, by the following vote:

AYES: COUNCIL MEMBERS –

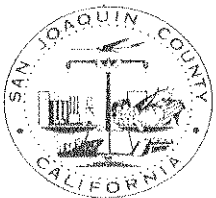
NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

JENNIFER M. PERRIN
Interim City Clerk

2006-_____



SAN JOAQUIN COUNTY
REGISTRAR OF VOTERS

DEBORAH S. HENCH
REGISTRAR OF VOTERS
209/468-3194
dhench@sjcrov.org

AUSTIN G ERDMAN
ASST REGISTRAR OF VOTERS
209/468-2898
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212 NORTH SAN JOAQUIN STREET
PO BOX 810
STOCKTON, CALIFORNIA 95201
209/468-2885
FAX 209/468-2889
www.sjcrov.org
TTY 209/953-1070

RECEIVED

MAY 18 2006

City Clerk
REGISTRATION
209/468-2890
BUSINESS AND FINANCIAL
DISCLOSURE
209/468-8942
CANDIDATE SERVICES
209/468-3191
PRECINCT OPERATIONS
209/468-2892

EXHIBIT A

May 15, 2006

Susan Blackston
City Clerk
City of Lodi
P.O. Box 3006
Lodi, CA 95241-1910

Dear Ms. Blackston:

Pursuant to your request, this office has completed the verification of signatures on the Water Rate Reduction Initiative Petition (City of Lodi), delivered to our office on May 8, 2006.

I hereby confirm the verification of the above named petition is as follows:

Number of signatures filed:	4,426
Number of signatures verified:	500
Number of signatures found sufficient	462

Based upon the random sample, the projected total of valid signatures is 4,020, which are more than 2,967 required signatures to pass based on sample. Therefore, the petition is certified as sufficient.

Sincerely,

DEBORAH S. HENCH
Registrar of Voters

DSH:ev

Petition

#1151 Preschool For All Act

#1154 Jessica's Law

#1182 Transportation Funding Initiative

#1185 Water Quality, Safety and Supply

#1186 Waiting Parental Notification Initiative

#1197 Tax on Cigarettes

Lodi Sales Tax-Mar 2005

Lodi Water Rate Reduction Initiative

Stkn Res. Inspection/Anti-Blight Ordinance

Petition Abbr: Lodi Water Rate Reduction Initiative

Petition Name: Water Rate Reduction Initiative

Status: In Process

District: City Of Lodi

Details

Statistics Summary

Statistics Detail

Management

Time Management

Values

Raw	4426	Sigs Found Valid in Sample	462
Sample	500	Sigs Withdrawn	0
Num of Sigs	500	Dup Sigs Found	1
Num Not Checked	0	Other Invalid	37
		Sigs Found Not Valid in Sample	38

Calculations

Percent Of Valid = Number Found Valid/Number in Sample	92.4%
Uncorrected Total Valid = Raw Count * Percent of Valid	4089
Duplicate Signature Factor = Raw Count/Sample Size	9
Dup Sig Weight = Dup Sig Factor * (Dup Sig Factor - 1)	70
Dup Sig Adjustment = Dup Sig Weight * Number of Dup Sigs	69
Total Valid Based on the Sample =	
Uncorrected Total Valid - Dup Sig Adjustment	4020

Results

Total Valid Based on the Sample	4020
Required Valid	2697
Minimum Required (95%)	2562.15
Minimum Valid Required to Pass based on Sample (110%)	2986.7

174



Petition Result Breakdown

Lodi Water Rate Reduction Initiative Water Rate Reduction Initiative

Signatures Required	2697		
Raw Count	4,426		
Sample Size	500	Percent of Sigs Checked	Percent of Sample Size
Sigs Checked	500		
Sigs Not Checked	0		0.0 %
Sigs Valid	462	92.4 %	92.4 %
Sigs Invalid	38	7.6 %	7.6 %
Duplicated	1	0.0 %	0.2 %
Non-duplicate Invalids	37	7.0 %	7.4 %

RESULT ABBR	RESULT DESCRIPTION		
Approved	Approved	462	92.4 %
NotReg	Not Registered	16	3.2 %
OutOfDist	Out of District	6	1.2 %
Duplicate	Signed more than once	1	0.2 %
RegDiffAdd	Registered at a Different Address	6	1.2 %
Declncmp	Declaration Incomplete	8	1.6 %
PrintedSig	Printed Signature	1	0.2 %

RESOLUTION NO. 2006-_____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LODI, CALIFORNIA,
GIVING NOTICE OF THE HOLDING OF A GENERAL MUNICIPAL ELECTION ON TUESDAY,
NOVEMBER 7, 2006, FOR THE SUBMISSION OF A PROPOSED ORDINANCE

WHEREAS, pursuant to authority provided by statute, a petition has been filed with the legislative body of the City of Lodi, California, signed by more than 10 percent of the number of registered voters of the City to submit a proposed ordinance relating to water rate reduction; and

WHEREAS, the San Joaquin County Registrar of Voters examined the records of registration and ascertained that the petition is signed by the requisite number of voters and has so certified; and

WHEREAS, the City Council is authorized and directed by statute to submit the proposed ordinance to the voters.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LODI, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE, AND ORDER AS FOLLOWS:

SECTION 1. That pursuant to the requirements of the laws of the State of California relating to general law cities, there is ordered to be held in the City of Lodi, California, on Tuesday, November 7, 2006, a General Municipal Election for the purpose of submitting the following proposed ordinance:

Shall the ordinance rescinding Resolution No. 2005-203 entitled, "A Resolution of the Lodi City Council establishing water rates" be passed?	Yes
	No

SECTION 2. That the text of the ordinance submitted to the voters is attached as Exhibit A.

SECTION 3. That the ballots to be used at the election shall be in form and content as required by law.

SECTION 4. That the City Clerk is authorized, instructed, and directed to procure and furnish any and all official ballots, notices, printed matter, and all supplies, equipment, and paraphernalia that may be necessary in order to properly and lawfully conduct the election.

SECTION 5. That the polls for the election shall be open at seven o'clock a.m. of the day of the election and shall remain open continuously from that time until eight o'clock p.m. of the same day when the polls shall be closed, except as provided in §14401 of the Elections Code of the State of California.

SECTION 6. That in all particulars not recited in this resolution, the election shall be held and conducted as provided by law for holding municipal elections.

SECTION 7. That notice of the time and place of holding the election is given and the City Clerk is authorized, instructed, and directed to give further or additional notice of the election, in time, form, and manner as required by law.

SECTION 8. That the City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

Dated: June 7, 2006

I hereby certify that Resolution No. 2006-____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held June 7, 2006, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

JENNIFER M. PERRIN
Interim City Clerk

2006-____

EXHIBIT A

WATER RATE REDUCTION INITIATIVE

(Text of Proposed Ordinance)

**AN ORDINANCE BROUGHT BY THE PEOPLE OF THE CITY OF LODI REPEALING
RESOLUTION NO. 2005-203 OF THE LODI CITY COUNCIL “A RESOLUTION OF
THE LODI CITY COUNCIL ESTABLISHING WATER RATES” IN RESPONSE TO THE
WATER UTILITY TAXATION IMPOSED UPON THE PEOPLE**

Whereas regarding purpose.

Whereas the City of Lodi has a legal responsibility to promote the public health, safety,
and trust of the residents of the city of Lodi and

Whereas the City of Lodi has instituted significant increases in water rates without
sufficient public input for the purpose of cleaning up water contamination, the residents
of the City of Lodi request the following ordinance to be placed on the next General
Election ballot.

SECTION 1: The resolution No. 2005-203 of the Lodi City Council “A resolution of the
Lodi City Council establishing water rates” shall be repealed.

SECTION 2: That the Levy of Charges imposed pursuant to section 13.08.010 of the
Lodi Municipal Code shall be repealed.

SECTION 3: That after the date that this ordinance is approved by the voters, all funds
collected under the authority of Resolution No. 2005-203 of the Lodi City Council shall
be refunded to the rate payers of the City of Lodi in a reasonable and prompt time frame.

SECTION 4: This ordinance can only be repealed by a majority vote by the voters of the
City of Lodi on a General Election ballot.

SECTION 5: This ordinance is effective the day approved by the voters of the City of
Lodi.



CITY OF LODI COUNCIL COMMUNICATION

TM

AGENDA TITLE: Adopt Resolution Setting Priorities for Filing Written Arguments Regarding Fire and Facilities Sales Tax and Water Rate Reduction Measures Scheduled for the November 7, 2006, General Municipal Election and Directing the City Attorney to Prepare an Impartial Analysis

MEETING DATE: June 7, 2006

PREPARED BY: City Clerk

RECOMMENDED ACTION: That the City Council adopt the attached resolution setting priorities for filing written arguments regarding Fire and Facilities Sales Tax and Water Rate Reduction measures scheduled for the November 7, 2006, General Municipal Election and directing the City Attorney to prepare an impartial analysis.

BACKGROUND INFORMATION: It is necessary for the City Council to adopt a resolution setting the priorities for filing written arguments for or against measures submitted for the ballot for the November 7, 2006, General Municipal Election, as well as setting forth the deadlines.

The following deadlines are hereby established pursuant to Elections Code Sections 9285, 9286, and 9220.

- Deadline for filing arguments (not exceeding 300 words) – **June 21, 2006**
- Deadline for filing rebuttal arguments (not exceeding 250 words) – **July 3, 2006**

Arguments must be filed in the City Clerk's Office on or before the deadlines established, during normal office hours.

FISCAL IMPACT: None.

FUNDING AVAILABLE: N/A

Jennifer M. Perrin
Interim City Clerk

JMP
Attachments

APPROVED: _____
Blair King, City Manager

RESOLUTION NO. 2006-_____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LODI, CALIFORNIA, SETTING
PRIORITIES FOR FILING (A) WRITTEN ARGUMENT(S) REGARDING CITY MEASURES AND
DIRECTING THE CITY ATTORNEY TO PREPARE AN IMPARTIAL ANALYSIS

WHEREAS, a General Municipal Election is to be held in the City of Lodi, California, on Tuesday, November 7, 2006, at which there will be submitted to the voters two measures: 1) Fire and Facilities Sales Tax Initiative and 2) Water Rate Reduction Initiative (text of the proposed ordinances are attached as Exhibits A and B, respectively).

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LODI, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE, AND ORDER AS FOLLOWS:

SECTION 1. That the City Council authorizes all members of the City Council to file (a) written argument(s) In Favor of or Against City measure, accompanied by the printed name(s) and signature(s) of the person(s) submitting it, in accordance with Article 4, Chapter 3, Division 9, of the Elections Code of the State of California and to change the argument until and including the date fixed by the City Clerk, after which no arguments for or against the City measure may be submitted to the City Clerk.

SECTION 2. That the City Council directs the City Clerk to transmit a copy of the measure to the City Attorney who shall prepare an impartial analysis of the measure showing the effect of the measure on the existing law and the operation of the measure. The impartial analysis shall be filed by the date set by the City Clerk for the filing of primary arguments.

SECTION 3. That the City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

Dated: June 7, 2006

I hereby certify that Resolution No. 2006-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held June 7, 2006, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

JENNIFER M. PERRIN
Interim City Clerk

2006-_____

EXHIBIT A

FIRE AND FACILITIES SALES TAX INITIATIVE (Text of Proposed Ordinance)

AN ORDINANCE OF THE CITY OF LODI IMPOSING A TRANSACTIONS AND USE TAX TO BE ADMINISTERED BY THE STATE BOARD OF EQUALIZATION AND ADDING CHAPTER 3.09 TO THE LODI MUNICIPAL CODE

THE PEOPLE OF THE CITY OF LODI DO ORDAIN AS FOLLOWS:

SECTION 1. The Lodi Municipal Code is hereby amended by the addition of Chapter 3.09, which shall read as follows:

3.09.010 Title and Effect

This chapter shall be known as the Lodi Transactions and Use Tax Ordinance. This chapter shall be applicable in the incorporated territory of the City of Lodi ("City"). This chapter shall complement, and not replace or supersede, the City's existing sales and use tax, as such tax is described in Chapter 3.08 of the Municipal Code.

3.09.020 Operative Date

As used in Chapter 3.09, "Operative Date" means the first day of the first calendar quarter commencing more than 110 days after the adoption of this chapter. If this chapter is approved by the voters at the March 2005 election, the operative date shall be July 1, 2005.

3.09.030 Purpose

This chapter is adopted to achieve the following, among other purposes, and the City Council directs that the provisions hereof be interpreted in order to accomplish those purposes:

- A. To impose retail transactions and use tax regulations in accordance with the provisions of Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code if two thirds of the electors voting on the measure vote to approve the imposition of the tax at a special election called for that purpose.
- B. To adopt retail transactions and use tax regulations that incorporate provisions identical to those of the Sales and Use Tax Law of the State of California insofar as those provisions are not inconsistent with the requirements and limitations contained in Part 1.6 of Division 2 of the Revenue and Taxation Code.
- C. To adopt retail transactions and use tax regulations that impose a tax and provide a measure therefor that can be administered and collected by the State Board of Equalization in a manner that adapts itself as fully as practicable to, and requires the least possible deviation from, the existing statutory and administrative procedures followed by the State Board of Equalization in administering and collecting the California State Sales and Use Taxes.
- D. To adopt retail transactions and use tax regulations that can be administered in a manner that will be, to the greatest degree possible, consistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, minimize the cost of collecting the transactions and use taxes, and at the same time, minimize the burden of record keeping upon persons subject to taxation under the provisions of this chapter.

EXHIBIT A

*FIRE AND FACILITIES SALES TAX INITIATIVE
Text of Proposed Ordinance
Page Two*

3.09.040 Expenditure Plan

- A. The Expenditure Plan is designed to ensure that the City accomplishes the specific projects listed below with the revenue generated from the transactions and use tax. The revenue from the transactions and use tax shall be expended on these specific projects in the following order of priority:
1. Placing paramedics on fire engines in Lodi (up to \$700,000 per year for six years);
 2. Design and construction of Fire Station #5, which shall be located in the southeast portion of Lodi (up to \$2,000,000);
 3. Construction of the Lodi Aquatics Center (up to \$9,000,000);
 4. Design and construction of a replacement for Fire Station #2, which shall be located in the eastern portion of Lodi (up to \$2,000,000);
 5. Construction of a downtown indoor sports center (up to \$9,000,000); and
 6. Maintenance and operation of the facilities above (up to \$1,500,000).
- B. Once the City has collected revenue from this transactions and use tax in the amount of \$700,000, it shall hire an appropriate number of paramedics and begin providing paramedic services on fire engines in the City within twelve months. Thereafter, subject to its ongoing duty to expend \$700,000 per year to fund paramedics pursuant to this Expenditure Plan, once the City collects the amount listed for each subsequent project it shall begin design or construction of the designated facilities within six months.
- C. The City Council shall appoint an advisory committee to ensure that the revenue from the transactions and use tax is spent in accordance with the actual terms and overall intent of this ordinance. The committee shall consist of five individuals and shall, at all times, include one member of Lodi Professional Firefighters Local 1225, one member of the Lodi City Swim Club, one member of the Lodi Sports Foundation, one member of the City Council, and one person selected at large by the City Council in its discretion. Each member of the advisory committee shall serve for a term of two years, which term may be renewed by the City Council. In the event of a vacancy on the committee, the City Council shall appoint an appropriate replacement member.
- D. If the City Council and the advisory committee both determine that the maximum dollar amount to be spent on one of more of these projects is insufficient to achieve the goals of this ordinance, the City Council may increase the maximum dollar amount for such project(s), provided that it first holds a noticed public hearing and makes specific findings that the increased expenditures for one or more projects is necessary to complete such project(s) in an effective manner and to fulfill the intent of this ordinance.
- E. If the City Council and the advisory committee both determine that the order of priority for these projects should be changed, the City Council may change the order of priority, provided that it first holds a noticed public hearing and makes specific findings that the change in the order of priority is in the best interests of the City and its residents.

EXHIBIT A

*FIRE AND FACILITIES SALES TAX INITIATIVE
Text of Proposed Ordinance
Page Three*

- F. Once revenue in the amounts listed above has been spent on the services and facilities included in each of these projects, any remaining revenue raised through this transactions and use tax shall be spent to help maintain such services and facilities.

3.09.050 Contract with State

Prior to the Operative Date of July 1, 2005, the City shall contract with the State Board of Equalization to perform all functions incident to the administration and operation of these transactions and use tax regulations; provided that, if the City shall not have contracted with the State Board of Equalization prior to the Operative Date, it shall nevertheless so contract and in such a case the Operative Date shall be the first day of the first calendar quarter following the execution of such a contract.

3.09.060 Transactions Tax Rate

For the privilege of selling tangible personal property at retail, a tax is hereby imposed upon all retailers in the incorporated territory of the City at the rate of .25% of the gross receipts of any retailer from the sale of all tangible personal property sold at retail in said territory on and after the Operative Date of this chapter.

3.09.070 Place of Sale

For the purposes of this chapter, all retail sales are consummated at the place of business of the retailer unless the tangible personal property sold is delivered by the retailer or his agent to an out-of-state destination or to a common carrier for delivery to an out-of-state destination. The gross receipts from such sales shall include delivery charges, when such charges are subject to the state sales and use tax, regardless of the place to which delivery is made. In the event a retailer has no permanent place of business in the State or has more than one place of business, the place or places at which the retail sales are consummated shall be determined under rules and regulations to be prescribed and adopted by the State Board of Equalization.

3.09.080 Use Tax Rate

An excise tax is hereby imposed on the storage, use or other consumption in the City of tangible personal property purchased from any retailer on and after the Operative Date of this chapter for storage, use or other consumption in said territory at the rate of .25% of the sales price of the property. The sales price shall include delivery charges when such charges are subject to state sales or use tax regardless of the place to which delivery is made.

3.09.090 Adoption of Provisions of State Law

Except as otherwise provided in this chapter and except insofar as they are inconsistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, all of the provisions of Part 1 (commencing with Section 6001) of Division 2 of the Revenue and Taxation Code are hereby adopted and made a part of this chapter as though fully set forth herein.

EXHIBIT A

*FIRE AND FACILITIES SALES TAX INITIATIVE
Text of Proposed Ordinance
Page Four*

3.09.100 Limitations on Adoption of State Law and Collection of Use Taxes

In adopting the provisions of Part 1 of Division 2 of the Revenue and Taxation Code:

- A. Wherever the State of California is named or referred to as the taxing agency, the name of this City shall be substituted therefor. However, the substitution shall not be made when:
 - 1. The word "State" is used as a part of the title of the State Controller, State Treasurer, State Board of Control, State Board of Equalization, State Treasury, or the Constitution of the State of California;
 - 2. The result of that substitution would require action to be taken by or against this City or any agency, officer, or employee thereof rather than by or against the State Board of Equalization, in performing the functions incident to the administration or operation of this Chapter.
 - 3. In those sections, including, but not necessarily limited to sections referring to the exterior boundaries of the State of California, where the result of the substitution would be to:
 - a. Provide an exemption from this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not otherwise be exempt from this tax while such sales, storage, use or other consumption remain subject to tax by the State under the provisions of Part 1 of Division 2 of the Revenue and Taxation Code, or;
 - b. Impose this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not be subject to tax by the state under the said provision of that code.
 - 4. In Sections 6701, 6702 (except in the last sentence thereof), 6711, 6715, 6737, 6797 or 6828 of the Revenue and Taxation Code.
- B. The word "City" shall be substituted for the word "State" in the phrase "retailer engaged in business in this State" in Section 6203 and in the definition of that phrase in Section 6203.

3.09.110 Permit not Required

If a seller's permit has been issued to a retailer under Section 6067 of the Revenue and Taxation Code, an additional transactor's permit shall not be required by this chapter.

3.09.120 Exemptions and Exclusions

- A. There shall be excluded from the measure of the transactions tax and the use tax the amount of any sales tax or use tax imposed by the State of California or by any city, city and county, or county pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law or the amount of any state-administered transactions or use tax.
- B. There are exempted from the computation of the amount of transactions tax the gross receipts from:

EXHIBIT A

*FIRE AND FACILITIES SALES TAX INITIATIVE
Text of Proposed Ordinance
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1. Sales of tangible personal property, other than fuel or petroleum products, to operators of aircraft to be used or consumed principally outside the county in which the sale is made and directly and exclusively in the use of such aircraft as common carriers of persons or property under the authority of the laws of this State, the United States, or any foreign government.
 2. Sales of property to be used outside the City which is shipped to a point outside the City, pursuant to the contract of sale, by delivery to such point by the retailer or his agent, or by delivery by the retailer to a carrier for shipment to a consignee at such point. For the purposes of this paragraph, delivery to a point outside the City shall be satisfied:
 - a. With respect to vehicles (other than commercial vehicles) subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, and undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code by registration to an out-of-City address and by a declaration under penalty of perjury, signed by the buyer, stating that such address is, in fact, his or her principal place of residence; and
 - b. With respect to commercial vehicles, by registration to a place of business out-of-City and declaration under penalty of perjury, signed by the buyer, that the vehicle will be operated from that address.
 3. The sale of tangible personal property if the seller is obligated to furnish the property for a fixed price pursuant to a contract entered into prior to the Operative Date of this chapter.
 4. A lease of tangible personal property which is a continuing sale of such property, for any period of time for which the lessor is obligated to lease the property for an amount fixed by the lease prior to the Operative Date of this chapter.
 5. For the purposes of subparagraphs (3) and (4) of this section, the sale or lease of tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.
- C. There are exempted from the use tax imposed by this chapter, the storage, use or other consumption in this City of tangible personal property:
1. The gross receipts from the sale of which have been subject to a transactions tax under any state-administered transactions and use tax regulations.
 2. Other than fuel or petroleum products purchased by operators of aircraft and used or consumed by such operators directly and exclusively in the use of such aircraft as common carriers of persons or property for hire or

EXHIBIT A

*FIRE AND FACILITIES SALES TAX INITIATIVE
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compensation under a certificate of public convenience and necessity issued pursuant to the laws of this State, the United States, or any foreign government. This exemption is in addition to the exemptions provided in Sections 6366 and 6366.1 of the Revenue and Taxation Code of the State of California.

3. If the purchaser is obligated to purchase the property for a fixed price pursuant to a contract entered into prior to the Operative Date of this chapter.
 4. If the possession of, or the exercise of any right or power over, the tangible personal property arises under a lease which is a continuing purchase of such property for any period of time for which the lessee is obligated to lease the property for an amount fixed by a lease prior to the Operative Date of this chapter.
 5. For the purposes of subparagraphs (3) and (4) of this section, storage, use, or other consumption, or possession of, or exercise of any right or power over, tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.
 6. Except as provided in subparagraph (7), a retailer engaged in business in the City shall not be required to collect use tax from the purchaser of tangible personal property, unless the retailer ships or delivers the property into the City or participates within the City in making the sale of the property, including, but not limited to, soliciting or receiving the order, either directly or indirectly, at a place of business of the retailer in the City or through any representative, agent, canvasser, solicitor, subsidiary, or person in the City under the authority of the retailer.
 7. "A retailer engaged in business in the City" shall also include any retailer of any of the following: vehicles subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, or undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code. That retailer shall be required to collect use tax from any purchaser who registers or licenses the vehicle, vessel, or aircraft at an address in the City.
- D. Any person subject to use tax under this chapter may credit against that tax any transactions tax or reimbursement for transactions tax paid to a district imposing, or retailer liable for a transactions tax pursuant to Part 1.6 of Division 2 of the Revenue and Taxation Code with respect to the sale to the person of the property the storage, use or other consumption of which is subject to the use tax.

3.09.130 Amendments

All amendments subsequent to the effective date of this chapter to Part 1 of Division 2 of the Revenue and Taxation Code relating to sales and use taxes and which are not inconsistent with Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code,

EXHIBIT A

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and all amendments to Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, shall automatically become a part of this chapter, provided however, that no such amendment shall operate so as to affect the rate of tax imposed by this chapter. Except as provided above and in Section 3.40.140, this chapter may be amended only by the voters pursuant to the provisions of Elections Code section 9217 and as provided by law.

3.09.140 Termination of Tax

The transactions and use tax imposed by this Chapter shall terminate ten years from the Operative Date.

3.09.150 Enjoining Collection Forbidden

No injunction or writ of mandate or other legal or equitable process shall issue in any suit, action or proceeding in any court against the State or the City, or against any officer of the State or the City, to prevent or enjoin the collection under this chapter, or Part 1.6 of Division 2 of the Revenue and Taxation Code, of any tax or any amount of tax required to be collected.

SECTION 2. Severability. If any provision of this chapter or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the chapter which can be given effect without the invalid provision or application, and to this end the provisions of this chapter are severable.

SECTION 3. Effective Date. After its adoption by the voters, this chapter shall be in full force and effect ten (10) days after the vote is declared by the legislative body, pursuant to the provisions of Elections Code sections 9217 and 15400 and as provided by law.

EXHIBIT B

WATER RATE REDUCTION INITIATIVE

(Text of Proposed Ordinance)

**AN ORDINANCE BROUGHT BY THE PEOPLE OF THE CITY OF LODI REPEALING
RESOLUTION NO. 2005-203 OF THE LODI CITY COUNCIL “A RESOLUTION OF
THE LODI CITY COUNCIL ESTABLISHING WATER RATES” IN RESPONSE TO THE
WATER UTILITY TAXATION IMPOSED UPON THE PEOPLE**

Whereas regarding purpose.

Whereas the City of Lodi has a legal responsibility to promote the public health, safety,
and trust of the residents of the city of Lodi and

Whereas the City of Lodi has instituted significant increases in water rates without
sufficient public input for the purpose of cleaning up water contamination, the residents
of the City of Lodi request the following ordinance to be placed on the next General
Election ballot.

SECTION 1: The resolution No. 2005-203 of the Lodi City Council “A resolution of the
Lodi City Council establishing water rates” shall be repealed.

SECTION 2: That the Levy of Charges imposed pursuant to section 13.08.010 of the
Lodi Municipal Code shall be repealed.

SECTION 3: That after the date that this ordinance is approved by the voters, all funds
collected under the authority of Resolution No. 2005-203 of the Lodi City Council shall
be refunded to the rate payers of the City of Lodi in a reasonable and prompt time frame.

SECTION 4: This ordinance can only be repealed by a majority vote by the voters of the
City of Lodi on a General Election ballot.

SECTION 5: This ordinance is effective the day approved by the voters of the City of
Lodi.



CITY OF LODI

COUNCIL COMMUNICATION

TM

AGENDA TITLE: Approval of Expenses Incurred by Outside Counsel/Consultants Relative to the Environmental Abatement Program Litigation and Various Other Cases being Handled by Outside Counsel (\$99,118.67).

MEETING DATE: June 7, 2006 City Council Meeting

PREPARED BY: City Attorney's Office

RECOMMENDED ACTION: That the City Council approve for payment expenses incurred by outside Counsel/Consultants related to the Environmental Abatement Litigation in the total amount of \$85,197.52, and various other cases being held by Outside Counsel in the amount of \$13,921.15.

BACKGROUND INFORMATION: Listed below are invoices from the City's outside counsel, Folger, Levin & Kahn; Kronick, Moskovitz, Tiedemann & Girard; and JAMS for services incurred relative to the Environmental Abatement Program litigation, and various other matters that are currently outstanding and need to be considered for payment.

Folger Levin & Kahn - Invoices Distribution 183453.7323

Matter No.	Invoice No.	Date	Description	Total Amount
8002	95061	4/30/2006	People v M&P Investments	39,843.33
				(975.00)
8003	95062	4/30/2006	Hartford Insurance Coverage Litigation	38,537.72
8008	95060	4/30/2006	City of Lodi v. Envision Law Group	1,623.49
	6172	3/31/2006	Peter Krasnoff/WEST	2,385.00
	13262	4/30/2006	Keith O'Brien/PES Environmental, Inc.	3,375.00
				\$84,789.54

Kronick Moskovitz Tiedemann & Girard - Invoices Distribution

Matter No.	Invoice No.	Date	Description	Total Amount	100351.7323	183453.7323
11233.001	225056	04/25/06	General advice	389.21	389.21	
11233.017	225056	04/25/06	Col v. M&P Investments (2441)	238.60		238.60
11233.026	225056	04/25/06	Lodi First v. City of Lodi	741.65	741.65	
11233.027	225056	04/25/06	Citizens for Open Govt.v.Col	257.30	257.30	
11233.029	225056	04/25/06	AT&T v. City of Lodi	12,532.99	12,532.99	
				14,159.75	13,921.15	238.60

JAMS Mediation Service 183453.7323

Invoice No.	Date	Description	Amount
1144989-110	04/2006	Mediation Services – M&P Investments	\$ 169.38

FISCAL IMPACT: Expenses in the amount of \$998.95 will be paid out of the General Fund and billed to Walmart for City's defense of the Lodi First and Citizens for Open Government litigation. The remaining expenses will be paid out of the Water Fund.

FUNDING AVAILABLE:

Water Fund	\$85,197.52
General Fund	\$13,921.15

Approved: _____
Ruby Paiste, Interim Finance Director

Approved: _____
Stephen Schwabauer, City Attorney

APPROVED: _____
Blair King, City Manager



CITY OF LODI COUNCIL COMMUNICATION

TM

AGENDA TITLE: Ordinance No. 1779 Entitled, “An Ordinance of the City Council of the City of Lodi Amending Lodi Municipal Code Title 5 – Permits and Regulations – by Repealing and Reenacting Chapter 5.12, ‘Cardrooms,’ in its Entirety”

MEETING DATE: June 7, 2006

PREPARED BY: City Clerk

RECOMMENDED ACTION: Motion waiving reading in full and (following reading by title) adopting the attached Ordinance No. 1779.

BACKGROUND INFORMATION: Ordinance No. 1779 entitled, “An Ordinance of the City Council of the City of Lodi Amending Lodi Municipal Code Title 5 – Permits and Regulations – by Repealing and Reenacting Chapter 5.12, ‘Cardrooms,’ in its Entirety” was introduced at the regular City Council meeting of May 17, 2006.

ADOPTION: With the exception of urgency ordinances, no ordinance may be passed within five days of its introduction. Two readings are therefore required – one to introduce and a second to adopt the ordinance. Ordinances may only be passed at a regular meeting or at an adjourned regular meeting; except for urgency ordinances, ordinances may not be passed at a special meeting. Id. All ordinances must be read in full either at the time of introduction or at the time of passage, unless a regular motion waiving further reading is adopted by a majority of all council persons present. **Cal. Gov’t Code § 36934.**

Ordinances take effect 30 days after their final passage. **Cal. Gov’t Code § 36937.**

This ordinance has been approved as to form by the City Attorney.

FISCAL IMPACT: None.

FUNDING AVAILABLE: None required.

Jennifer M. Perrin
Interim City Clerk

JMP

Attachment

APPROVED: _____
Blair King, City Manager

ORDINANCE NO. 1779

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF
LODI AMENDING LODI MUNICIPAL CODE TITLE 5 –
PERMITS AND REGULATIONS – BY REPEALING AND
REENACTING CHAPTER 5.12, “CARDROOMS,”
IN ITS ENTIRETY

=====

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LODI AS FOLLOWS:

Section 1. Lodi Municipal Code Title 5 – Permits and Regulations – is hereby amended by repealing and reenacting Chapter 5.12, “Cardrooms,” in its entirety and shall read as follows:

Chapter 5.12
Cardrooms

Sections:

- 5.12.010 Definitions.
- 5.12.015 No Vested Right.
- 5.12.020 Compliance with State Law.
- 5.12.030 License—Required.
- 5.12.040 License—Application.
- 5.12.050 License—Denial Grounds.
- 5.12.060 License—Appeal from Denial.
- 5.12.070 Work Permit—Required.
- 5.12.080 Work Permit—Denial Grounds.
- 5.12.090 Work Permit—Appeal from Denial.
- 5.12.100 Work Permit—Fee—Term—Identification Measures.
- 5.12.110 Work Permit—Renewal.
- 5.12.120 Work Permit—Failure to Renew.
- 5.12.130 Suspension or Revocation—Procedure.
- 5.12.140 Rules and Regulations.
- 5.12.150 State—Prohibited Games.
- 5.12.160 Business License Required.
- 5.12.170 Gross Revenue Permit Fees.

5.12.010 Definitions.

For the purpose of this chapter:

A. “Cardroom” means any space, room, or enclosure, furnished or equipped with a table used or intended to be used as a cardtable for the playing of cards and similar games, and the use of which is available to the public, or any portion of the public.

B. “Cardroom employee” means any natural person employed in the operation of a gambling enterprise, including, without limitation, dealers, floor personnel, security employees, countroom personnel, age personnel, collection personnel, surveillance personnel, data-processing personnel, appropriate maintenance personnel, waiters and waitresses, and secretaries, or any other natural person whose employment duties require or authorize access to restricted gambling establishment areas.

C. “Gross Revenue” means and includes seat rental fees, membership fees, table revenues, rental fees and charges, and any and all other gaming revenues derived from activities conducted on or within the card room premises.

D. "Financial Interest" means any direct or indirect financial interest in the management, operation, ownership, profits or revenue (gross or net) of a card room. A direct financial interest means a monetary investment in a card room. An indirect financial interest means owning one percent (1%) or more of any entity, i.e., any business, corporation, joint venture partnership or trust that in turn has a direct financial interest in a card room.

5.12.015. No Vested Right.

This article does not create any vested or other property right of any kind in any permittee, pointholder, key management employee, or other person. The city reserves the right to, at any time, amend, modify, or repeal the provisions of this article and to otherwise regulate or prohibit any privilege exercised hereunder. This reservation includes but is not limited to the right of the city to amend, from time to time, a permit issued pursuant to the terms of this article by resolution of the City Council.

5.12.020 Compliance with state law.

Any person or persons wishing to apply for any license or permit authorized in this chapter must comply with not only this chapter, but with Sections 330 through 337 of the California Penal Code. In each case where a license is issued, it shall be nontransferable.

It is the stated purpose of this article to regulate card rooms in the City of Lodi concurrently with the State of California, and to impose local controls and regulations upon card rooms as codified in the "Gambling Control Act" as codified in Division 8, Chapter 5 of the California Business and Professions Code (commencing with Section 19800). All such references to the Gambling Control Act are to Division 8, Chapter 5 of the California Business and Professions Code, as may be amended.

5.12.030 License--Required.

It is unlawful for any person to engage in or carry on, or to maintain or conduct, or cause to be engaged in, carried on, maintained, or conducted, any card room in the city without first having secured a license to do so, or without complying with each regulation contained in this chapter pertaining to such cardroom.

5.12.040 License--Application.

A. Any applicant for a cardroom license shall submit his application to the chief of police, which application shall be under oath, and shall include, among other things, the true names and addresses of all persons financially interested in the business. The term "persons financially interested" includes all persons who share in the profits of the business, on the basis of gross or net revenue. The past criminal record, if any of the applicant and of all persons financially interested in the business shall be shown on such application. The application shall also be accompanied by fingerprints of the applicant and of persons financially interested in the business.

B. The applicant shall pay a fee to the finance department of the city to defray the cost of investigation in an amount as may be fixed and established from time to time by resolution of the city council.

5.12.050 License--Denial grounds.

The chief of police shall deny any applicant for a cardroom license, a license to operate such room if:

A. The applicant has previously been convicted of a felony including a conviction by a federal court or a court in another state for a crime that would be a felony if committed in

California; or

B. The applicant has previously been convicted of a misdemeanor involving dishonesty, gambling, or moral turpitude within the 10-year period immediately preceding the submission of the application, unless the applicant has been granted relief pursuant to Section 1203.4, 1203.4a, or 1203.45 of the Penal Code.

C. The applicant fails to clearly establish eligibility and qualification under this Chapter and under Business and Professions Code Section 19800 et seq.

D. The applicant fails to provide information, documentation, and assurances required by this Chapter, or failure to reveal any fact material to qualification, or supplying false information.

E. Association of the applicant with criminal profiteering activity or organized crime as defined by Section 186.2 of the Penal Code.

5.12.060 License--Appeal from denial.

The action of the chief of police in denying such a license shall be subject to an appeal to the city council. Notice of such appeal shall be filed with the city clerk within ten days after the denial of the license. Upon failure to file such notice within the ten-day period, the action of the chief of police in denying such license shall be final and conclusive.

5.12.070 Work permit--Required.

A. Each cardroom employee must obtain and possess a valid work permit issued by the chief of police. Applications for such work permits shall be submitted under oath and contain the past criminal record, if any, of the applicant and such information as may be necessary to determine whether the applicant is a proper person to be employed in a cardroom. Fingerprints of the applicant shall accompany the application. A work permit shall be issued only to persons 21 years of age or older.

B. Any application for a work permit shall be subject to objection by the state division. If the division objects to the issuance of a work permit, it shall be denied. Such a denial may be reviewed in accordance with the Gambling Control Act (Business and Professions Code Section 19801 et seq.).

5.12.080 Work permit--Denial grounds.

The chief of police shall deny any applicant for a cardroom license, a license to operate such room if:

A. The applicant has previously been convicted of a felony including a conviction by a federal court or a court in another state for a crime that would be a felony if committed in California; or

B. The applicant has previously been convicted of a misdemeanor involving dishonesty, gambling, or moral turpitude within the ten-year period immediately preceding the submission of the application, unless the applicant has been granted relief pursuant to Section 1203.4, 1203.4a, or 1203.45 of the Penal Code.

C. The applicant fails to clearly establish eligibility and qualification under this Chapter and under Business and Professions Code Section 19800 et seq.

D. The applicant fails to provide information, documentation, and assurances required by this Chapter, or failure to reveal any fact material to qualification, or supplying false information.

D. Association of the applicant with criminal profiteering activity or organized crime as defined by Section 186.2 of the Penal Code.

5.12.090 Work permit--Appeal from denial.

The action of the chief of police in denying such work permit shall be subject to an appeal to the city manager. Notice of such appeal shall be filed with the city clerk within ten days after the denial of the work permit. Upon failure to file such notice within the ten-day period, the action of the chief of police in denying such work permit shall be final and conclusive.

5.12.100 Work permit--Fee--Term--Identification measures.

A. Each application for a work permit shall be accompanied by an application fee, to be paid to the finance department, in an amount as may be fixed and established from time to time by resolution of the city council. The fee shall not be returned in the event that such work permit is refused, revoked, or suspended as provided in this chapter.

B. The work permit shall be valid even though the holder of the permit may change his place of employment within the city. Upon approval of a work permit, the work permit shall be valid, unless suspended or revoked, for a period of one year from date of issuance.

C. In order that the chief of police may investigate the applicant's qualifications and fitness to receive a cardroom employee work permit, every applicant shall be photographed and fingerprinted.

5.12.110 Work permit--Renewal.

Any person who holds a valid cardroom employee work permit may obtain a new permit for the succeeding year by applying for the new permit during the month preceding the expiration date of the current permit. Cost for the new permit, which shall include the cost of a new identification card, shall be paid to the finance department, and shall be an amount as fixed and established from time to time by resolution of the city council.

5.12.120 Work permit--Failure to renew.

If the holder of a cardroom employee work permit fails to renew the permit, his permit shall cease to be valid and he must make application for a new permit, if desired, as provided in this chapter.

5.12.130 Suspension or revocation--Procedure.

A. The chief of police has the right for cause to revoke or suspend any cardroom license or card room work permit issued under this chapter and to take possession of such permits.

B. Any of the grounds upon which the chief of police is required to refuse to issue an initial cardroom license or cardroom work permit also constitutes grounds for such revocation or suspension. In addition, the failure of a holder of a cardroom license or cardroom work permit to comply with the provisions set forth in this chapter also constitutes grounds for revocation or suspension of such license or work permit.

C. Suspension or revocation of a cardroom work permit shall be made only after a hearing granted to the holder of such permit before the chief of police, after five days notice to the permit holder, setting forth the grounds of the complaint against him and stating the time and place where such hearing will be held. The action of the chief of police in this respect is subject to an appeal to the city manager. Notice of such appeal shall be filed with the city clerk within ten days after the revocation or suspension. Upon failure to file such notice within the ten-day period, the action of the chief of police in revoking or suspending the license or work permit shall be final and conclusive.

5.12.140 Rules and regulations.

It is unlawful to operate a cardroom in violation of any of the following regulations and rules:

- A. Not more than one cardroom shall be located at any one address.
 - B. No game except lowball, draw poker, without variations as defined by Hoyle, pinochle, pangini, rummy, Texas Hold 'Em, and contract or auction bridge as those games are defined by the California Department of Justice, Division of Gaming Control, shall be played in any cardroom.
 - C. Not more than eight tables shall be permitted in any cardroom. No more than seven tables shall be permitted to operate within the city.
 - D. Not more than ten players shall be permitted at any one cardtable.
 - E. Cardrooms shall be located on the ground floor, and so arranged that cardtables and the players at the tables shall be plainly visible from the front door opening when the door is opened. No wall, partition, screen or similar structure between the front door opening on the street and any cardtable located in the cardroom shall be permitted if it interferes with the visibility.
- No gambling establishment may be located in any zone which has not been specifically approved for such a business. Additionally, none may be located near any of the unsuitable areas, as specified in Business and Professions Code Section 19852 (a) (3).
- F. No person under the age of 21 shall be permitted at any cardtable, nor shall any person under the age of 21 be permitted to participate in any game played thereat.
 - G. Cardrooms may be operated seven days a week and shall not open until the hour of ten a.m. Cardrooms shall close at two a.m. on the mornings of Monday, Tuesday, Wednesday, Thursday, and Friday. Cardrooms may remain open until the hour of four a.m. on the mornings of Saturday and Sunday. A cardroom shall adopt a schedule of hours of operation before it shall be allowed to operate. Such schedule of hours shall be clearly posted at the cardroom in order to provide adequate notice of its hours of operation.
 - H. All cardrooms shall be open to police inspection during all hours of operation.
 - I. Only table stakes shall be permitted.
 - J. The cashing of bank checks for players shall not be permitted in any cardroom.
 - K. Each cardtable shall have assigned to it a person whose duty shall be to supervise the game to see to it that it is played strictly in accordance with the terms of this chapter, and with the provisions of the Penal Code of the state. This person may have more than one table under his supervision. He shall not, however, participate in the game.
 - L. There shall be posted in every cardroom in letters plainly visible from all parts thereof, signs stating that no game except lowball, draw poker without variations as defined by Hoyle,

pinochle, pangini, rummy, Texas Hold 'Em, and contract or auction bridge as those games are defined by the California Department of Justice, Division of Gaming Control, shall be played in the cardroom. These signs shall also contain such other information relating to the regulations contained in this chapter as the chief of police may require.

M. No person who is in a state of intoxication shall be permitted in any cardroom.

N. The sale, purchase, transfer, assignment, or pledge of any property, or of any document evidencing title to the same, is prohibited in any cardroom.

O. The operator or his employees shall not extend credit to a player, nor shall he accept IOU's or other notes, loan money to any person on any ring, watch, or other article of personal property for the purpose of securing tokens, chips, or other representatives of money as an ante.

P. No shills shall engage in card games. This prohibition shall not apply to house players, provided they wear a badge in a conspicuous place, which badge identifies them as employees of the licensee.

Q. Patron Security and Safety. Each cardroom license shall be responsible and liable for its patrons' safety and security in and around the cardroom establishment. Before it shall be allowed to operate, each cardroom shall adopt a plan, to be approved by the city, to provide for the safety and security of its patrons.

5.12.150 State-prohibited games.

The city council declares that it is not the intention of this chapter to permit the licensing of any cardroom for the playing of any game prohibited by the laws of the state, including but not limited to those games enumerated in Section 330 of the Penal Code of the state, which section includes banking and percentage games.

5.12.160 Business license required.

Operators of cardrooms shall be required to obtain a business license pursuant to Chapter 5.04 of this code.

5.12.170 Gross revenue permit fees.

(a) In addition to the permit fees previously prescribed each permittee permitted pursuant to the provisions of this article shall pay to the city a monthly fee equal to 9 % of the gross revenue of the permittee received from the cardroom operation. Such payment shall be made to the city not later than 15 days after the end of each month during which such gross revenues on which it was computed were received by the permittee.

(b) Each permittee shall file with the Finance Department before the 15th day following the end of each month a statement, under oath, showing the true and correct amount of gross revenue derived from the card game business permitted by the permit issued to the permittee for the preceding month. Such statement shall be accompanied by the payment of the correct amount of permit fee due and owing in accordance with the provisions of Subsection (a) of this section, and such sums correctly reflecting the monthly fees payable for the preceding month shall be accepted by the city, subject, however, to the right of the city to audit the matters reported in the statement to determine the accuracy of the figures contained therein and whether or not the correct amount payable to the city has been paid.

A signed declaration shall be attached to the statement or included therein, which shall be in substantially the same form:

"I hereby declare under penalty of perjury that the foregoing is true and correct.

Section 2. No Mandatory Duty of Care. This ordinance is not intended to and shall not be construed or given effect in a manner which imposes upon the City, or any officer or employee thereof, a mandatory duty of care towards persons or property within the City or outside of the City so as to provide a basis of civil liability for damages, except as otherwise imposed by law.

Section 3. All ordinances and parts of ordinances in conflict herewith are repealed insofar as such conflict may exist.

Section 4. This ordinance shall be published one time in the "Lodi News Sentinel," a daily newspaper of general circulation printed and published in the City of Lodi, and shall be in force and take effect 30 days from and after its passage and approval.

Approved this 7th day of June, 2006.

SUSAN HITCHCOCK
Mayor

Attest:

JENNIFER M. PERRIN
Interim City Clerk

State of California
County of San Joaquin, ss.

I, Jennifer M. Perrin, Interim City Clerk of the City of Lodi, do hereby certify that Ordinance No. 1779 was introduced at a regular meeting of the City Council of the City of Lodi held May 17, 2006, and was thereafter passed, adopted, and ordered to print at a regular meeting of said Council held June 7, 2006, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

I further certify that Ordinance No. 1779 was approved and signed by the Mayor of the date of its passage and the same has been published pursuant to law.

JENNIFER M. PERRIN
Interim City Clerk

Approved as to Form:

D. STEPHEN SCHWABAUER
City Attorney